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The Week

WASHINGTON, reduced from the boiling point of debate about policy, began last week to simmer down to the level of campaign politics. Congressmen are anxious to get back to their constituents, no matter what bills are passed or forgotten; but the President will not let them go until they have provided for new taxes and relief. The Senate committee remained obdurate in declining to recommend the President's tax plan, except for a chemical trace. Whether anything like it will come out of conference between the Houses is problematical, as well as whether the final bill will yield even as much as the administration believes is necessary. Into the relief bill, under the leadership of Senator Robert M. La Follette, the Senate put back the specific appropriation for Mr. Tugwell's Resettlement Administration, deleted by the House in a moment of pique. It thus provided, though somewhat skimpily, for continuation of one of the best of the New Deal's projects, at least until the Supreme Court has its say. Rural electrification was put on a permanent basis with authorization for a ten-year program. The House voted to cite Dr. Townsend for contempt, thus probably making a martyr of him. The bill for decent labor conditions on government contracts, along with the Wagner housing bill, is likely to die in the effort at quick adjournment. In labor circles, the Committee for Industrial Organization declined to disband in response to the "ultimatum" from the A.F. of L., and its constituent unions were threatened with suspension. The Socialists unanimously renominated Norman Thomas for President; the right-wing bolt took few with it. And the Supreme Court rounded out its vetoes by declaring unconstitutional the New York Minimum Wage Law, by a five-to-four vote.

CONFUSION continued in Europe and in the East, both Near and Far. Mussolini returned the soft answer to British irritation about his pinpricks by stating that now Italy was satisfied with her colonial winnings and would coöperate in the European concert—provided sanctions were revoked. But the Baldwin government has on its hands a vigorous public opinion chagrined by the failure of the League and determined to make no more concessions. The Arabian revolt continued in Palestine, evoking the sympathy of other Moslems. Britain meanwhile struggled vainly to complete a naval agreement with the Soviet Union, without which the agreement with Germany will be invalid, since Germany refuses to be bound unless Russia is bound likewise. But Soviet diplomats will not agree to limit their Pacific naval forces, or even to give information about them, unless Japan is also limited —and Japan has already gone her own way. Thus the British navy is likely to lose the protection it thought it was gaining from the ill considered German agreement—one of the chief factors in alienating France and making League action against Italy ineffectual. Polish Foreign Minister Beck went to Belgrade, supposedly to attract Jugoslavia to the German circle of influence, and returned, it was rumored, unsuccessful. The Japanese-encouraged smuggling into China through Hopei, which it is estimated deprives Nanking of one-third of its customs revenue, has evoked not only a protest from Secretary Hull but a students' boycott in Tientsin and a stiffening of the Nationalist government's attitude. A definite break between Japan and China is foreshadowed.

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GOVERNOR Landon is far in the lead for the Republican nomination as the convention assembles. But the question whether or not he will be nominated does not depend on any difference between principles for which he stands and those announced by other candidates. If asked to distinguish clearly the different policies that might be expected from Landon, Vandenberg, Knox, Hoover or any of the rest, including even Borah, not one voter in a million could do it. All prominent Republicans are for a balanced budget without cutting relief much or greatly increasing taxes. They are all for preserving the Supreme Court and the Constitution, though favoring welfare measures that the Court has said or will surely say the Constitution does not permit. To combine in a gelatinous mass of generalities as many incompatibles as possible is the aim of every candidate, for in that way most sentiment is appeased. No, the question of Landon's nomination depends on what the state and regional bosses want. (And that means largely, of course, what the big campaign contributors want.) Hilles, Roraback and others in the East want somebody they can control; if they have not made a deal with Landon and cannot do so, they will use the good old method of trying to stop him by keeping enough votes scattered until a compromise is necessary. The delegates Landon has accumulated are moved partly by promises and hidden influences, partly by a desire to strengthen their machines by winning an election with a man who seems to be as inoffensive as any of those available. Landon's chief availability consists in the fact that nobody has anything much against him or knows him well. Oh yes—back in his own state he of course balanced the budget! (See the article on page 122.)

THE national Farmer-Labor Conference in Chicago, called at the instance of the Minnesota Farmer-Labor Party, passed back to its originator the question whether a national organization, platform and campaign should be called forth this year to support independent candidates for Congress and state offices. The possibility of nominating a President had already been eliminated by the overwhelming indications of personal support for Mr. Roosevelt on the part of organized industrial workers. The delegates, from a miscellaneous assortment of bodies, apparently were not ready to form the new party so long as a candidate for the leading office must be missing. There is still every indication of a strong groundswell favoring the formation of the party in the near future. But during this campaign the essential forces are not united enough on program or strategy to begin the work on a national scale. The great progressive unions, though sympathetic, are not ready; the Socialist Party, which looks forward to an eventual coalition of labor forces, has decided this time to go it alone; various elements are still suspicious of the taint of Communist adherence to the movement. In the absence of strong, coherent leadership, the delegates followed the course that in their judgment would best keep the movement alive while postponing decisive action.

STRIKEBREAKERS have had a busy but not too successful time during the past week. In Alabama they have failed thus far to open the mines of the Tennessee, Coal, Iron and Railroad Company, a U. S. Steel subsidiary, where 2,500 miners are striking against a reported wage cut of 30 percent. Likewise the general strike of 7,500 employees in six plants of the Remington Rand Company continues despite the company's efforts to open its plants with armed guards. The strikers are asking for reinstatement of seventeen union leaders and for a 20-percent wage increase; the company has just reported that its profits for the past year were $3,010,281, a 72-percent increase over the year before. In Arkansas the National Guard has been called out against 3,000 cotton choppers, who are striking for higher wages, while in California special deputies have clashed with 1,000 celery-field workers. Of special interest is the strike of 5,500 steel workers at the Portsmouth, Ohio, plant of the Wheeling Steel Corporation, where the employees, having tried futilely for the past two years to obtain collective bargaining through mediation and labor boards, have apparently decided that they can accomplish more by using their economic strength. Meanwhile, 5,000 seamen in New York City, have called off their two months' strike on the assurance of the International Seamen's Union that the "outlaw" strikers would not be discriminated against for their recent activities.

ALL of northeastern Arkansas is tied up in the first strike of its size known in the South, the strike of the Southern Tenant Farmers' Union to increase wages from 7½ cents an hour to 15 cents an hour. A few contracts for higher wages have been signed with the smaller plantation owners already, but the many thousands of agricultural workers who are still fighting are faced with terrorism of the most brutal sort. Pickets are arrested and beaten, strikers are driven to work at the point of a gun, and a concentration camp has actually been established by one of the planters. Charges by Dr. Sherwood Eddy, Norman Thomas and the officials of the union that the planters are violating the peonage statute of the federal code in these strike-breaking activities resulted in the assignment of United States Attorney Fred A. Isgrig, of Little Rock, Arkansas, to investigate the case. But Mr. Isgrig is himself a large plantation owner in Pulaski County, Arkansas, and a member of the Pulaski County Planters' Club, a situation that has been brought to the attention of Attorney General Cummings by Gardner Jackson, chairman of the National Committee on Rural Social Planning, which is supporting the strike. So far Secretary of Labor Perkins has sent no representative into the strike area, though she is reported to be following the situation closely. In the light of

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these facts we must strongly endorse the statement of John L. Lewis, speaking officially for the International Executive Board of the United Mine Workers of America: "The Department of Labor and Department of Justice should thoroughly investigate these charges and reports. Such investigations should be conducted by officials from outside the area whose status and interests are not bound up with the conditions under consideration."

ONE of the bright spots in the news last week was the action of the American Newspaper Guild at its third annual convention in New York City in voting 84 to 5 for affiliation with the American Federation of Labor. The ratio of seventeen-to-one suggests that the newspapermen and women have learned a lot and learned it rapidly since a year ago, when a similar proposal failed, by a slight margin, to get the necessary two-thirds approval in a national referendum. There can be little doubt that the newspaper publishers, and especially Mr. Hearst, were largely responsible for teaching the Guildsmen so effectively that they must join hands with organized labor. A great many illusions—such as the romantic nature of newspaper reporting—had to be blasted before the editorial employees were prepared to recognize that they were really part of the working class. The publishers did the blasting by stubbornly refusing to bargain collectively, by widespread discrimination against Guild leaders and by forcing newspaper workers to strike to protect their jobs. Thus in three short years, under the leadership of Heywood Broun and with the always dependable coöperation of the employers, the Guild has grown to be an experienced and progressive labor union. As part of the A.F. of L. it should play a lively and important role, particularly in view of its forthright stand in support of the principle of industrial unionism.

AT LAST the long awaited revision of marriage laws in the Soviet Union has been made public. As is customary in matters of this kind, the new laws were drafted by a governmental commission after long investigation: they are now published for general discussion, which may result in modification before formal enactment. (Contrary to certain news dispatches, the same procedure was followed in enacting the original laws.) The enactment itself will of course take place by democratically elected representatives. The new laws do not forbid divorce or make more stringent the conditions under which it may be obtained, but aim to discourage it by a higher financial cost, and by larger contributions to the support of children. They also increase the state services and subsidies, which already have removed many of the economic burdens of childbearing and education common in other countries. What is most likely to arouse strong popular opposition is the ban on abortion. Other nations forbid abortion without abolishing it; the result is a terrible toll of illegal operations, often performed under insanitary conditions. In the Soviet Union abortion has not been encouraged, but in cases where the prospective mother insists, it is performed openly and with every precaution, by competent surgeons in public hospitals. Whatever the moral views held on the subject either in Russia or elsewhere, the practical conclusion seems to be that unless women can be induced to want children whenever they become pregnant—in which case it is not necessary to forbid abortion—a legal ban will result merely in illegal practice.

AN ITEM in The New Republic two weeks ago contained some food for thought by those interested in the odder aspects of our civilization. It reported W. R. Hearst's strange boycott on Stanford University. Mr. Hearst received a report that Dr. George S. Counts of Teachers' College, Columbia University, was to lecture at Stanford. The giant of San Simeon, who does not like Dr. Counts, jumped to the conclusion that this was a permanent appointment, which it is not; Dr. Counts just happened to be passing and was asked to speak twice. Now the three Hearst papers in the San Francisco Bay region are making themselves ridiculous trying to report general news, athletics and social events at Stanford without using the name of the institution. The interesting thing about all this is that it is obviously a simple misundersanding. Not even Mr. Hearst would be guilty of issuing this order if he understood that Dr. Counts is just an overnight visitor on the Stanford Farm. The question is how to bring this news to his attention? Persons privy to the Hearstian habits tell us he now reads practically nothing, not even his own periodicals—which were formerly his only intellectual fare. Of his 30,000 employees apparently there is not one who dares tell him of the deplorable mistake he is making. It is a little as though he appeared in some vast lecture hall with a hideous, gaping hole in his trousers and no one present could pluck up courage to acquaint him with the fact. This is a curious position for a great popular publisher to be in—and a dangerous one.

IN LAST week's issue of The New Republic the terms of the separation-wage agreement for railroad workers were incorrectly stated. The agreement, as approved by the carriers and the unions, provides two methods for the payment of dismissal allowances to employees who lose their jobs as the result of consolidations: they are to receive (1) 60 percent of their wages for a period ranging up to five years for those with more than fifteen years of service or (2) a lump-sum payment on dismissal of from three to twelve months' pay. These amounts, of course, will hardly permit the displaced employees to retire in comfort and security: they will have to get other means of support, if they can. Yet the agreement is significant in that it recognizes the responsibility of employers to men who have invested years of their lives in a particular job.

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The importance of such compensation can be realized from the fact that some two or three hundred thousand railway employees have been eliminated as the result of technological improvements. The Department of Labor estimates that the output per man-hour of transportation traffic units rose more than 55 percent between 1921 and 1932. This increased efficiency explains in large measure the drop of roughly 50 percent in railway employment during the same period and also the failure of reëmployment since 1933 to keep pace with the increase in railroad traffic.

Liberty to Starve

EXPRESSION of resentment against the Supreme Court for its action in declaring unconstitutional the New York State Minimum Wage Law, or arguments to show how and why the legal reasoning of the majority was faulty in this case, are beside the point. The Court, by its long succession of decisions on social legislation, has left us with a condition and not a theory. The opinion of the majority *is* the law, regardless of what we think the majority ought to think, or what the law ought to be. Let us examine as coolly as we can, in a moment of shock and discouragement, what the situation is, and how it arose.

Congress has no power to regulate hours or wages of persons in manufacturing, mining and most other branches of industry and trade. Such persons are supposed by the Court not to be directly engaged in interstate commerce. In its decisions on the N.R.A. and the Guffey coal law the Court has made this sufficiently clear. The wages, hours and employment conditions of these persons, in the opinion of the Court, are matters of local concern, and in dealing with them the federal government invades rights reserved by the states when the Constitution was framed and ratified.

The natural inference would be that the separate states therefore do have the right to regulate hours and wages. With much difficulty, laws establishing maximum hours for women have been passed in numerous states, and have been upheld by the courts. Employers always object to these laws, and frequently defeat them on the ground that interstate competition penalizes those states with the shorter hours. State laws, however, establishing maximum hours for men would undoubtedly be thrown out by the courts. And the states have no power to establish minimum wages either for men or for women. *Thus there is no governmental power in the United States, either national or state, to regulate hours and wages generally.* The rights reserved by the states are taken away again by the federal Constitution, according to the reasoning of the Court majority.

How does this strange thing come about? The Fifth Amendment forbids the federal government to deprive persons of life, liberty or property without due process of law. The Fourteenth Amendment, adopted after the Civil War to secure the newly established rights of the Negroes, places the same restriction on the action of the states. The Courts have held that "freedom of contract" is one of the liberties protected by these amendments. Numerous states within the past two decades have passed laws forbidding the employment of women at wages below a minimum cost of living. Such a law, passed by Congress for the District of Columbia, was in 1923 held by the Supreme Court to contravene freedom of contract. The Court also held that the passage of a law of this kind did not constitute the "due process" by which, according to the Constitution, persons could be deprived of life, liberty or property. The decision, in other words, assumed that when a woman takes a job, she makes a contract with the employer, and that if the state forbids her employment at wages even below the minimum cost of living, it not only interferes with her freedom of contract, but does so without due process of law. Precious liberty! This decision made inoperative the various state minimum-wage laws, except as they might work through publicity or persuasion. Ten states have laws of this kind.

Subsequently New York State passed a new type of minimum-wage law, in the hope of getting round the Supreme Court's objection. In the District of Columbia case, the Court had pointed out in its opinion that the value of a woman's services to her employer might be below the minimum cost of living. The new law therefore directed the administering authorities to consider the value of the services rendered. In other respects also it took pains to see that the procedure should be as far from arbitrary as possible. Seven states now have laws similar to this. They joined in asking the Supreme Court to sustain the New York law in this case. But the majority decided (the vote was five to four) that these modifications made no difference; that the whole matter was outside the powers of the states.

Anybody who henceforth proposes to do anything by law about hours and wages in general, either for women or for men (though there are still certain exceptions in which action is permitted), must, if he is not to mislead the public, at the same time say what he proposes to do about the Constitution or the Supreme Court or both. As matters stand, the Constitution makes the economic doctrine of laissez-faire the supreme law of the nation. We have a government that cannot govern one of the fundamental factors in the economic and social process. It cannot do so, no matter how many voters want it to do so, and no matter what good reasons for doing so may be held by those who give the matter careful study. Democracy is balked by the constitutional protection of the liberty of women to work for starvation wages, for wages below the value of the services rendered.

As to the absurdity of this state of affairs, we cannot do better than to quote from the dissenting opinion of Mr. Justice Stone, in which Justices

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Brandeis and Cardozo joined. (Mr. Chief Justice Hughes disagreed with the majority on somewhat less inclusive grounds.)

> There is grim irony in speaking of the freedom of contract of those who, because of their economic necessities, give their service for less than is needful to keep body and soul together. But if this is freedom of contract no one has ever denied that it is freedom which may be restrained, notwithstanding the Fourteenth Amendment, by a statute passed in the public interest.
>
> In many cases this court has sustained the power of legislatures to prohibit or restrict the terms of a contract, including the price term, in order to accomplish what the legislative body may reasonably consider a public purpose. They include cases which neither have been overruled nor discredited in which the sole basis of regulation was the fact that circumstances, beyond the control of the parties, had so seriously curtailed the regulative power of competition as to place buyers or sellers at a disadvantage in the bargaining struggle, such that a legislature might reasonably have contemplated serious consequences to the community as a whole and have sought to avoid them by regulation of the terms of the contract. . . .
>
> No one doubts that the presence in the community of a large number of those compelled by economic necessity to accept a wage less than is needful for subsistence is a matter of grave public concern, the more so when, as has been demonstrated here, it tends to produce ill health, immorality and deterioration of the race.
>
> The fact that at one time or another Congress and the legislatures of seventeen states, and the legislative bodies of twenty-one foreign countries, including Great Britain and its four commonwealths, have found wage regulation is an appropriate corrective for serious social and economic maladjustments growing out of inequality in bargaining power, precludes, for me, any assumption that it is a remedy beyond the bounds of reason.
>
> It is difficult to imagine any grounds, other than our own personal economic predilections, for saying that the contract of employment is any the less an appropriate subject of legislation than are scores of others, in dealing with which this court has held that legislatures may curtail individual freedom in the public interest. . . .
>
> In the years which have intervened since the Adkins case we have had opportunity to learn that a wage is not always the resultant of free bargaining between employers and employees; that it may be one forced upon employees by their economic necessities and upon employers by the most ruthless of their competitors. We have had opportunity to perceive more clearly that a wage insufficient to support the worker does not visit its consequences upon him alone; that it may affect profoundly the entire economic structure of society and, in any case, that it casts on every taxpayer, and on government itself, the burden of solving the problems of poverty, subsistence, health and morals of large numbers in the community. . . .
>
> It is not for the courts to resolve doubts whether the remedy by wage regulation is as efficacious as many believe, or is better than some other, or is better even than the blind operation of uncontrolled economic forces. The legislature must be free to choose unless government is to be rendered impotent. The Fourteenth Amendment has no more embedded in the Constitution our preference for some particular set of economic beliefs than it has adopted, in the name of liberty, the system of theology which we may happen to approve.

Unfortunately, the last sentence quoted from Mr. Justice Stone represents only a minority opinion. The majority of the Court think otherwise, and they are the dictators of our form of government.

Balfour on the Secret Treaties

THERE was a bitter dispute a few weeks ago in Washington over the long discussed question as to whether President Wilson knew of the secret treaties by which the Allies had bound themselves prior to America's entry into the Great War. The President, it will be recalled, denied any such knowledge when testifying before the Senate Foreign Relations Committee in 1919. Senator Gerald Nye, chairman of the Munitions Committee, which has made an exhaustive inquiry into the circumstances of America's participation in the War, asserted that Mr. Wilson did know of the treaties and that he testified falsely before the Senate Committee. That this charge is true has, we think, been abundantly established by material published in the pages of The New Republic and elsewhere. Nevertheless, the accusation was hotly denied by Senator Carter Glass, who was Secretary of the Treasury for more than a year under Wilson. Senator Glass became so angry during his excoriation of Senator Nye that he beat the table before him until his knuckles bled. He, and others who shared his view, tried, because of this incident, to prevent the appropriation of additional funds for the Munitions Committee.

Important corroboration of Senator Nye's point of view, which ought to settle the matter in so far as it can be settled, now comes from a British source. In The London Daily Telegraph Mrs. Blanche E. C. Dugdale has been publishing a biography of her uncle, Lord Balfour, head of the British Mission to the United States which visited Washington in April and May, 1917. Mrs. Dugdale says that at a family dinner at the White House on the evening of April 30, "Balfour disclosed to the President the existence and the character of certain 'Secret Treaties' between the Allied Powers in Europe."

"Doubt as to the British Foreign Minister's entire openness on this subject," says Mrs. Dugdale, "has been removed by the publication of Colonel House's papers. . . . The allegation of concealment, when repeated by Mr. Ray Stannard Baker, was acutely resented by Balfour, but he never attributed to President Wilson more than a lapse of memory, which he himself would be the last to consider surprising, or to condemn." She goes on:

> Talking to me on the subject in 1928, without having read Colonel House's papers, he said: "House tells me he has blown to pieces that story that I never told

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Wilson about the Secret Treaties when I went over in '17."

Myself: But did you tell him? Was it his business?

A. J. B.: Oh, yes. I was bound to tell him. But it was a very delicate business, for of course they were secret. The way I got over it was to tell him about them as secret—as man to man. I told him personally.

Myself: Then did he forget all about it afterwards?

A. J. B.: I think he said he had never been informed. I don't think he said he did not know. But quite likely he did forget. I can quite understand that. You see, when Wilson had made up his mind about coming into the War, it was the present and the future that interested him, not the past. I felt the same—those Treaties had no importance by that time.

It is easy to understand the attitude of Senator Glass and other followers of President Wilson. Loyalty to a dead friend is certainly an admirable trait. That loyalty, however, should not be carried to the length of flying in the face of historical facts and denying the testimony of every witness qualified to comment. Soon or later, Senator Glass will be forced to make either tacit or open retraction. Meanwhile, his effort to halt the munitions inquiry must remain an ineradicable blot upon his record.

Fingerprints of Fascism

BERKELEY, seat of that great institution of higher learning, the University of California, has lately been making a holy spectacle of itself. The town has engaged in a community jamboree the purpose of which has been to have every citizen record his fingerprints with the police department. Fingerprinting stations were set up in banks, libraries and stores. They were even conducted on street corners, and were manned by workers from the National Youth Administration and the Works Progress Administration—which is a fact that Washington certainly ought to look into. Banners and placards were prepared, to be displayed by business establishments, all of whose employees had been fingerprinted, and by homes where the same deliriously happy condition prevailed. Society women gave "fingerprint and bridge" parties—the newspapers didn't mention whether marked cards were used. The statement was frequently made, though it is apparently false, that fingerprinting is compulsory for persons on relief in Berkeley. The police offered to reputable citizens "good-conduct cards" containing their own fingerprints, to be carried and used for proof of identity. The movement was endorsed by the Boy Scouts, Girl Scouts, Campfire Girls, Kiwanis, Lions, and Knights of Columbus.

The arguments advanced in favor of such fingerprinting campaigns, as carried on in Berkeley and many other communities, are clearly specious. It is held that aid will be given to victims of amnesia. But cases described as amnesia are extremely rare, and psychologists say that of these only a small proportion are genuine. It is also argued that through these campaigns criminals can more easily be apprehended. But most crime is the work of habitual wrongdoers whose fingerprints are already on file because of previous arrests; very few of the country's leading criminologists share the enthusiasm of California's eager amateurs as to the effectiveness of fingerprinting as a crime preventive, even if it were universal and compulsory. Some careful students of the subject believe that fingerprints can be and are forged; many criminals habitually wear gloves, which prevent their leaving any prints at all.

There seems no doubt that the instigators of the Berkeley fingerprinting jamboree are in fact people with strong fascist leanings, who hope to use the device against labor and "radicals"—a term that, to the Pacific Coast's high blood pressure, includes even the mildest liberals. The prime mover in the campaign is the California Junior Chamber of Commerce, part of the nationwide reactionary organization of that name. Robert Fouke, president of the California chapter, thinks that in fingerprinting "we have a solution to many of the economic, social and political problems confronting this nation." The Berkeley chief of police says frankly that fingerprinting will "bring about the identity of, and enable us to follow the movements and activities of, Communists, Anarchists and Radicals." The Junior Chamber of Commerce, incidentally, advocates permanent incarceration in concentration camps for those "found guilty of revolutionary activities"—the Junior C. of C. presumably to decide what such activities are. It also asks stern punishment for anyone who "gives aid, comfort and assistance" to those engaged in plans "to overthrow our government"—which, by Pacific Coast precedents, would apply to almost any degree of support for almost any strike. As everyone knows, California is well in the van of those states which have displayed the most pronounced fascist tendencies; the fingerprinting campaign clearly deserves to be put down as one more evidence of the same sort of thing.

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Marked Tree, Arkansas

IN MEMPHIS a year ago they said: "It's always safe to fight man to man with a Tennessean, but look out for an Arkansawyer; he'll wait till you're not looking and shoot you in the back." Walking from the bus stop down the main street of Marked Tree, my back felt as if it were being aimed at, felt crawly, a breeze seemed to propel me across the street, to the safety of an interior, to the inside of a drug store. But for a few men in overalls lying in the sun before a blank wall, the street had been deserted, the store fronts, typical square elevations fronting the street, had been like those I had seen before in the West. A garage, a grocer's, cars parked outside; it had been like any street in West Texas, but somehow it had seemed not like the reality often seen before, but like the setting for a Wild West movie. At any moment, down the dusty road horsemen would come galloping, waving their six-shooters, or a bad man would come stalking from behind a door. My knees had felt weak, I had almost run; I had slammed the glass door of the drug store behind me.

Everyone looked up and I felt ashamed. That drugstore was like any other drugstore in the United States, with a prescription counter, with hot-water bags for sale, with a soda fountain and with a pin game. There were six or seven young fellows gathered around the game, betting nickels, and there was a young woman in a sweater setting off a pretty chest sitting at a table, drinking coca-cola; wise-cracks were being tossed from pin game to table and then back again. And after they had seen who had run in so wildly they turned back to the table and they ignored me. The proprietor came toward me and said it was a nice day. I agreed it was a nice day and I drank coca-cola. One of the young fellows asked the girl how long she would be gone and she said only a few hours; she had to run some errands and she was waiting for her car to be greased.

I went up to her and I said I was a New York reporter; I wanted to see the county around Marked Tree; if she would take me wherever she was going and tell me who lived in the houses we passed, I would gladly pay for the gas. She looked at me as if she thought I were crazy, but she said All right.

We drove past cotton land that had not yet been plowed, past miserable shacks all belonging to one company and all painted green, green slapped over dwellings without doors or roofs, green over tin that masked holes in the walls, green on the fences, paint that seemed to be put on not to protect wood from the elements, but as a mark of the owner, as a Don't Touch, Don't-Dare-to-Come-in sign.

The drugstore man had been wrong. It was not a nice day. It was in the very early spring, chilly in spite of the sun, and no children were playing in the dirt. I could see them staring at the passing car through openings in walls where a plank was missing, while the grown-ups were chopping wood or hanging washed rags out on the line. There were no questions about these people I could ask. I knew that this girl who was driving the car knew nothing, cared nothing about them.

We passed a low stream, the ground rising from the banks to the level of the country, and down by the side of the water were dozens of shacks, of lean-to's, patched together with all sorts of materials, with flattened-out oil tins and package-case wood, with ragged tar paper. Here and there an old automobile, without a top and wheelless, stood where it had been abandoned. Here was a sort of community kitchen; three or four women in old soldier jackets around a pile of stones from which smoke was rising. Here was a row of old torn tents; and here a family had built themselves a house out of branches surrounding a tree. There must have been two-three hundred people living on the banks of this low stream, miles from a town. I asked the girl what they lived on. She said she didn't know; occasionally they got day labor on the surrounding farms; she said she had heard that if the tenants' union didn't stop organizing, the planters were going to get rid of their tenants and hire these squatters to work by the day.

I asked why they were organizing; she said she didn't know; probably they were too lazy to work. But she said the preacher had now called their bluff. He had called together all the nice people in town, and they had promised to give anybody work so long as he didn't belong to the union. Of course there were some people in town who had said the best thing to do would be to teach the tenants a lesson by hanging a few of them. But most didn't agree with that; she didn't for one. It gave the town a bad name; every time she went to Memphis all her girl friends made fun of the town she came from.

It was riding with this town girl in the car that I began to realize the hatred the storekeepers and planters had for the tenants. All the time I was in Arkansas I never heard anything said but in anger when the workers in the fields were mentioned. All the ills that had befallen the South were the fault of the tenants. The price of cotton was low, the cost of manufactured products high, the roads were bad, business was slow, girls couldn't get married, because the tenant farmer was lazy, born lazy and improvident and shiftless; and no amount of help would do any good, would help him any, or would help the South. And I noticed too that when the tenants were mentioned even the sharpness of race

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prejudice seemed to become dull. White tenants or sharecroppers were no better than Negroes—if anything, were even much worse. There was no quality allowed them, no morals, no ethics, not even the instinct of self-preservation.

The girl I rode with passionately wished that she could go away, away from the blight of the cotton fields. She said no nice fellow would come to live in a cotton town, and, more, the nice boys from home wanted to get away and, if they could, got away. She slowed down before a bump in the awful road, and she looked at the terrible shacks, at the rickety fences that held nothing in, and she said: "Look at them. They live worse than pigs. And living with them we're turning into pigs."

We came back into Marked Tree and I called on the preacher. His office was in the American Legion hall. There was no crowd waiting for the jobs the preacher had promised; there was no one in the hall but a girl talking over the long-distance telephone, probably with a reporter from Memphis. No, she said, there was nothing new. She didn't have the figures on how many jobs had been found, she said the preacher was busy just then, no, he couldn't be talked to. She was authorized to deny the report. Yes, the preacher said it simply wasn't true. An inside door opened and a man came out. He shook hands with me and led me inside.

We sat at a long table underneath bunting made of starred and striped material, and the preacher said he wanted to make a statement. Not exactly a statement; he wanted to explain why he had decided he wanted to help both the tenants and the planters. He seemed to me to be very nervous; he held the knuckles of one hand with the palm of the other and then alternated; really he seemed to be frightened. He said he was sick; should be in bed or in a sanatorium. He said he wasn't fitted for this kind of work; he never had dreamt ten years before when he had been head of the hymnal department at a denominational school that some day he would be in a fight between capital and labor. But he was an American Christian and he could not see the working classes antagonize the business interests in town; he believed in education and friendship rather than in violence and he said it made him sick to see the growing class hatred. The previous year he had put up a bandstand and he had asked public speakers to explain to the tenants what Americanism meant. There had been as many as seventy-five people to listen, and then a paid agitator, a stranger in town, had heckled the speakers and had ridiculed them and had had to be escorted from town. The preacher had seen what was about to happen; he had called a meeting of the business men in town, had gotten their coöperation, had been promised $600 for expenses and had announced a real working-class union, based on coöperation between planter and tenant. "We can solve our problems in our own way," said the preacher, "without strangers to preach some foreign solution."

I asked: "What about the other union. . .?"

He interrupted me: "I don't know what your sympathies are. . . ."

I said: "I don't have any sympathies. I don't give a damn. I'm a reporter."

He said: "Well, you go over there and look at their faces. See if you'd trust them." I asked him where the offices were and he said he didn't know.

Wherever I asked I was looked at strangely, and no one seemed to know where the union office was. The man in the drugstore stopped smiling; the boys around the pin game didn't answer at all; I asked people on the street, they either looked at me dumbly or they walked away. I came back to the bare wall at which men in overalls were sunning themselves and I asked one of them. He whispered to the other and then he pointed across the street to a window.

At first no one upstairs would answer my questions. I wore a white collar and not a torn suit, and if that made the storekeepers and preachers unsuspicious of me, it did not help me with workers. I had to explain and I had to show letters and I had to prove I was not a stoolpigeon.

I didn't know what the preacher had meant about their foreign faces; I asked them their origins and one had been born fifteen miles away, another in central Arkansas, and a third, who looked like an Indian, was one-fourth Cherokee, and born in Oklahoma. They didn't live in Marked Tree because they would have been killed after nightfall there. They had been threatened personally and by mail, and one had been convicted of anarchy and was out on bail waiting to appeal, and another had been sentenced to six months in jail for having committed the crime of barratry, which in Arkansas, almost the center of the continental United States, is defined as: "Any willful and unlawful act committed by the master or mariners of a ship, whereby the owners sustain injury." They were all three young, and all three had had guns stuck into their ribs, and nooses tightened around their necks, and they had been brutally beaten, and every night they had driven back to Memphis followed by cars filled with vigilantes, but they said: "We have 7,000 members in three counties in which there are altogether about 11,000 families."

I asked if Negroes and whites both belonged to the union, and they told me: "If we organized only the Negroes they would break the union by bringing in whites from the hill country and unemployed from the city, and if we organized only the whites, they would bring in Negroes from Mississippi." I asked if Negroes and whites were segregated at meetings; they said they had been afraid of friction at first and had tried to have the races separated by the aisle; but then the whites got talking with the Negroes and happened to sit together, and now no one remembered where he was sitting.

It all sounded unreal; it seemed as if I were reading it; the boys in the drugstore, the unspeakable

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shacks, the hating voice of the girl driving, the Christian tone of the preacher, and now these three pleasant young men—in the back of my mind the horror of yesterday's paper, all were like the pages of a book, like a story told far away from the scene of action; it seemed as if I were not in Marked Tree, or if I were that everything I had heard was a lie. I asked the three men if I could go back with them to Memphis.

"If you want to," they said. "But anything can happen."

I didn't believe them. One of them looked out of the window and waved below and waited, and then said: "All right." We closed the office and we went downstairs. Outside it was dark, and we walked to the old sedan, got in, and the driver switched on the lights. I looked out through the rear window and a car back of us put on its lights too. One of the men said:

"Don't let anything pass you."

The lights of Marked Tree were behind us and we drove into darkness and the car back of us followed. The first town down from Marked Tree is Tyronze, and the road was narrow and curving, and the car following tried to come near us, but we stayed in the middle and we weaved right and left. We were very quiet and I tried to analyze the feeling of being pursued. And it was an intense curiosity; there was no accompanying fear; it was as if one were about to look over the edge of the unknown, as if after death.

"They'll try to pass you on the wide street of Tyronze. You speed like hell."

We did speed like hell. There were a few people on the street and they turned as if surprised at the car rushing by. Then darkness again as we approached Turrell, and from the back there came a report as if of backfire.

"Get your head away from the glass."

There was absolutely no fear; instead there was excitement; and there was the silly self-analysis that makes of one writer two; an observer and an object. And there was speed. They fired only once again before we came to Turrell.

"Look out—someone is walking on the road."

In the darkness along the edge of the highway we saw overalled men walking slowly in file.

"The Turrell local of the Tenants' Union is having a meeting tonight."

Then came worry. Someone suggested that the Memphis bridge might have been blocked. There were two lanes going in and out; what if they had roped off the ingoing path? We again became quiet, and the driver weaved wildly, trying to prevent the car back of us from passing, and I began to feel as if I had a toothache and the Memphis bridge was the dentist, and something would happen there that would hurt me.

We came to West Memphis, to the wide open highway, and we roared toward the river. Around us were cars, but no one car in pursuit. We came to the bridge and we drove smoothly into the ingoing lane, and over the Mississippi and into Tennessee. I felt very tired. I wanted a drink.

When we stopped for dinner at a lunch room, I found a lead bullet on the floor of the car.

NATHAN ASCH.

Cinema

Ghostly, an aisle of oblique light
Conjured by lenses, the projectionist's beam
Slants above us.
We lean,
Lover or husband, together in the dark,
Hypnotic towards the silver screen.

In this wide darkness each by each we sit,
Secret, alone, none public to our private thought;
What love betrayed us, or what bribe has bought,
Our lives' defeat, what villain plotted it.
Cheerers and clappers, for us there's no applause,
Weepers and criers, for us there are no tears.
No camera grinds us, nights we groan and toss,
No lenses click us crouching in the upper tiers.
We weep, we cheer always for phantoms who evoke
Pity we spend not on ourselves, laughter we cannot spare.

Crippled, deformed, love of no woman's nights,
Timid, cowardly, clutchers of chairs and rails,
We fling ourselves through space in trapeze tights,
Leap burning airshafts when the fireman fails,
Shoot from the hip, blonde Folly-loves embrace,
Tap dance, star singing, touchdown for teams, save
Beautiful beauty, handsomest handsome, bravest brave,
Idol of all, darling of daring, toast of cafés,
Admired, sought after, successful, praised.

Yet we are no more stars than eyes can make us;
That playboy in the night club mocks our dream.
For we have seen that smiling broker break us,
That precinct captain when the riot wagons scream.
Hot song that now the orchestra is playing,
Will it dissolve that memory of day,
The brutal pay-off, what the boss was saying
You heard while filing bills and briefs away?
Sorry for invalids, beloved by those above us,
Carers for queens who die in royal ease,
What of ourselves and mouths that lean to love us,
Who perish in charity wards, with jerking knees?

In that bright world where faith and fortune rule
Who knows, like ours, the desperate deeds and trials?
Have they snatched love in a tenement vestibule?
No bitterness has warped and crooked their smiles.
Marriage and millions conquer there once more
Before the springing lights and ushers come.
The orchestra departs us with a rolling drum.
We rise and exit through the waiting door,
All their deeds past, but our deeds still to come.

ALFRED HAYES.

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Alf Landon: His Record

WHEN THE Republican convention opens in Cleveland next week, Governor Alf M. Landon of Kansas will occupy a commanding position in the race for the presidential nomination. His followers claim first-ballot support of nearly 400 delegates. They are supremely confident, so confident indeed that they have engaged campaign workers to carry on till November.

Outside of Kansas little is generally known of Landon's record. His proponents claim that he has reduced taxes in his home state. A survey of the tax rates reveals that in the first year of Landon's administration 83 percent of the counties increased their tax rates, in the second year 85 percent had higher rates and for the third, 91 percent showed increases over the 1932 figures. One county suffered a 389-percent rise. The greatest reduction was 60 percent. For the entire state there was an average increase over the 1932 levy of 21 percent for the first year, 28 percent for the second and 31 percent for the third. Balanced against this, but not canceling it off, was a 16⅔-percent reduction in valuations for 1933, with an additional drop of one percent for the two succeeding years.

Of twenty-nine average cities and towns, seventeen showed levy increases in 1933 and eighteen assessed higher rates for the two years that followed. The average increase for the first year was ten percent, for the second and third years six percent over the 1932 levy. Thus, where city taxpayers received a small tax reduction as the result of valuation cuts, the farmer has actually paid higher rates since Landon went into office. And Kansas is an agricultural state.

Landon supporters tout him as a doer, not a promiser. In his first campaign for the governorship in 1932 he promised to keep all rum-runners and racketeers out of the state or in jail. This promise was rather feebly kept. Rum-running and rum runners still abound in many sections of Kansas. The recent spectacular bar-smashing raids on Topeka night clubs—which were led by the head of the state police in person and could hardly have been conducted without the Governor's knowledge—may have been intended to hold in line any of the electorate who were beginning to doubt the militancy of the Governor's anti-liquor views.

In the same 1932 campaign Landon assailed the Democratic administration in power for alleged assessments on state-highway employees. Following his election the highway workers found themselves still contributing to party war chests, Republican instead of Democratic. Deploring the high taxes on farm property, Landon promised reductions. When the cut came, it benefited urban dwellers to a small extent, the farmers not at all.

Landon is credited with balancing his state budget. When the Federal Social Security Board rejected the Kansas proposal for county administration of the program in that state, it became obvious that a special session of the legislature would have to be called to remedy the situation. But a legislative session costs money. The Kansas Legislative Council was called into service, and it ruled that a constitutional amendment would be necessary to meet the requirements of the federal board. Since the amendment could not be voted on until November, Landon set the latter part of July as a tentative date for the session. The Kansas fiscal year ends June 30. So a July session will not unbalance the budget. Had the council ruled, as some of the members contended, that no amendment was necessary and that the legislature itself could have taken the necessary action, the Governor would have been politically obliged to call a special session immediately. He would thus have been robbed of the psychological effect of his announcement that for the second consecutive year his budget was balanced. This year he will probably be able to show a small surplus in the treasury.

As a matter of fact Landon had little if anything to do with the original budget-balancing process. State Senator Dallas Knapp, of Coffeyville, chairman of the Senate Ways and Means Committee, did the blue-penciling that resulted in the balanced budget, and Landon got the credit.

In May, 1935, lead and zinc field workers in southern Kansas went on strike for union recognition and more sanitary working conditions: specifically, protection against silicosis and lead poisoning. The operators set up a howl and Landon sent in the National Guard. Local peace officers were disarmed, as were all members of the striking union. New officers friendly to the operators were deputized. Sheriff succeeded sheriff as the pressure grew too great and the successive incumbents resigned under dual pressure from operators and miners. Scabs were imported by hundreds to replace the striking men. Mine guards, many of them said to be professional strikebreakers, were brought in from Missouri, Oklahoma, Arkansas, Illinois and other states; they represented themselves as Pinkerton detectives, state officers and even federal men. Guards roved the streets armed with pistols, blackjacks, rifles and submachine guns. Actually many of them were ex-convicts, in some instances with murder records. It was found impossible to obtain local warrants for the arrest of these men when they became involved in violence, and the state attorney general's office refused to do anything about the situation. Finally, with the militia lining

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the streets to guard the imported mine workers on their way to work and the ex-convict guards brandishing Winchesters from the doors of the smelters and mills, the mine operators organized a company union with an owner as president and mine officials in all other offices. The mines and smelters became closed shops with company-union men only used for labor. When it appeared that the hired gunmen had the situation well in hand the National Guardsmen were recalled.

The strike goes on. Winchesters guard the entrances to the plants involved. "Detectives" roll through the district to see that the peace is kept. Union leaders are at present seeking action before the Federal Labor Relations Board, charging the operators with unfair labor practices and refusal to bargain collectively. They also allege that the militiamen were sent in without sufficient justification, pointing to the fact that no violence of any consequence was experienced prior to the appearance of the boys in khaki. The first shot fired, they say, came from the gun of an ex-convict mine guard after the troops had supposedly taken charge. The company guards are keeping the scabs on the job today but the unions have not forgotten that it was the Landon-sent soldier boys who made it possible for the operators to import out-of-state labor and reopen the mines when the strike first began.

In the 1934 utility battle in Landon's home town, Independence, he is charged with covert support of the Kansas Gas and Electric Company's attempt to keep the city from using its own power facilities to supply its street-lighting system. Despite Landon's stand, the municipality won out. Small independent operators in the Kansas oil field allege that he has, in most instances, stood with the big companies on matters of policy. They do not believe that he has been particularly friendly toward Standard Oil, but he is accused of some partiality to the Doherty Cities Service Corporation. Just before Landon's first inauguration as Governor, the Woodring administration seemed well on its way to victory over the Doherty company in the battle over gas rates in Kansas. After his election a few small cuts were made and the case dropped out of the headlines. Five weeks ago, with the Governor far ahead in the race for the Republican nomination, Cities Service acknowledged defeat and proclaimed a sensational reduction of more than $800,000 a year, or nearly 50 cents per capita for Kansas. City gas rates were cut 21.8 percent and it was announced that the saving would be passed on in full. Actually there will be an average saving to the consumer of about 20 cents a month, or less than 10 percent of the average gas bill.

Governor Landon assails the national administration for partisanship in relief, but the record shows that under Landon control prior to September, 1935, relief administration in Kansas was handled almost entirely by Republicans. He calls for decentralization of relief; but it is the decentralization of relief in Kansas that has allowed $1,000,000 to lie for weeks in Topeka while people went hungry, that is responsible for the terrible conditions on the Kansas poor farms and that has prevented Kansas from coöperating with the social-security program. He declares that the spoils system must go, that the civil service must be strengthened. But civil service is unconstitutional in Kansas, and when members of the Kansas Legislature sought to sponsor a civil-service amendment, the Governor gave them neither aid nor encouragement and the proposal died.

The Landon policies summarize about as follows: to relieve unemployment he would restore business confidence (by being elected President) and balance the budget; he would decentralize relief; in the farmers' interests he would sponsor soil conservation, a high tariff and a bounty payment on domestic consumption of wheat, hogs, cotton and tobacco; in foreign affairs he would favor isolation and a tariff, particularly for oil; and finally he is totally opposed to anything that might by the widest interpretation be construed as socialistic.

A large amount of misinformation is being circulated concerning Landon. He is said to be a dry. That this is not true was made painfully clear to the Kansas Anti-Saloon League some months ago when he refused to serve on their board as trustee, and pointed out that if his name had ever been used by that organization it was without his consent. He is not a farmer. He has never been poor, his family having always been moderately well-to-do, and conservative home-town estimates of his wealth now place it at well over a million dollars. Luck has not deserted him in the oil game, for his company recently spudded in another small well in the Kansas field.

Despite a poor radio voice, Landon is an excellent campaigner. In one week he can cover thoroughly the same territory that any of his rivals for the Republican nomination would cover with difficulty in three. In his Kansas campaigns he has delivered as many as fourteen short talks in one day, spending four hours on the platform and eight on the road. He has maintained that pace for five days a week from August until November in the past two campaigns, without appreciable signs of fatigue at any time. There is no reason to believe that he would wage a less vigorous fight as the presidential nominee. Not a brilliant speaker, he none the less has a personal magnetism that grips and sways audiences, making them his ardent followers. It is this ability—plus his personal following in Kansas and surrounding Midwestern states—which would most certainly be lost to the G.O.P. with any other man at the head of the ticket.

Perhaps the best explanation of Landon's success and Landon's strategy will be found in this Kansas story concerning him. It seems that serious trouble was brewing over relief conditions in a Kansas county. The relief officials visited the Governor's offices and told their story. Governor Landon

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shook his head gravely. "It's a serious situation, gentlemen, a very serious situation," he said. "I'll take the matter under advisement." And with a warm smile he dismissed them. Later that day representatives of the unemployed made their appearance. They, too, received a courteous hearing. "It's a grave situation, gentlemen, a very grave situation. I'll take the matter under advisement," the Governor said, showing them to the door with a round of hearty handclasps. Two months went by and nothing was done. Conditions grew rapidly worse. At last members of the two factions bore down on the Governor's office with bloodthirsty looks. He received them after only a short delay.

"I thought you were going to do something about conditions in the county," the labor spokesman began. A county commissioner growled that he thought so too.

"Well, you see, gentlemen, I took the matter under advisement as I promised. And I can't do a thing until the legislature acts. Now don't worry, I'll keep the matter in mind." And with that the Governor shook hands all around, smiled his sweetest, and led the suppliants like lambs to the door.

At last report the matter was still under advisement.

MORTON TAYLOR.

New York's Vice Ring

HERE IN the wide light courtroom it all seems very remote, all this talk about disorderly houses and madams and bailing the girls out when they get pinched. Every now and then the courtroom rustles when the witness, this little brown-faced man with the thin tight smile, calls something by its real name, but there's no tension and everyone is so matter-of-fact about what's going on that it might as well be a tax-evasion suit.

The witness is Pete Harris, and also, according to the chart of names hanging on the wall behind him, Peter Balitzer. That chart makes it seem a little more real. But it's the kind of reality you don't expect to exist. All the names are the kind that imaginative kids would make up while playing gangster: Jo-Jo Weintraub, Binge, Chappie, Yoke, and even Charlie Spinach. The top line reads:

Charlie Lucky Charles Luciano

A friend of mine told me something about Lucky. He said that the boys had all been told that Lucky didn't play around with two things, women and dope. Liquor, yes, and cars, he was a big shot in those lines, but he didn't fool around with women. My friend must have been wrong; the charge is compulsory prostitution. But he said, of course, that if Lucky heard of some guy pulling down big jack he'd go to him and say, "You come and see me, punk." Naturally he didn't pass anything up. He was a smart guy.

Anyway, Lucky is sitting there at those tables with his counsel. He looks ordinary and perfectly calm. So far he's been only the name behind the scenes in this testimony; they haven't talked much about him. "He told me not to worry; Charlie Lucky was behind it." Pete said that this morning, but all afternoon, while Peter has been explaining the business of bonding houses, Lucky hasn't come into it.

Bonding might be called arrest insurance. For ten dollars a girl a month, Pete would put up half the bail and provide a lawyer whenever a girl was arrested. Dewey, the special prosecutor, wants to know what benefit the madam got out of this, if she had to put up half the bail herself, because she never got that bail back. She never got a quarter of it back, says Pete, but if the lawyer couldn't get the girl off he'd tell her to jump bail and Pete would stand the loss. The madam might lose all the bail, if she wasn't bonded. Pete is carried away by his explanation. He keeps his oily smile on and forgets to twist the rubber band around his fingers, as he leans forward in the witness chair.

Dewey, looking as if he ought, by age, to be the third assistant prosecutor instead of the chief, keeps asking questions, slowly building up to the one that he'll ask facing the jury, with those black eyes drilling it into them. He isn't big, and he dresses only a little extra neatly, but his high square shoulders and young, intense face with the heavy black mustache make him stand out in the courtroom. The defense objects that this redirect examination is taking much too long, and that they're willing to concede. . . . "When I want concessions," says Dewey, instantly, "I'll ask for them. I'll ask for them."

"I gathered you would," the court says with a friendly smile. Dewey proceeds. It was a little theatrical, quite a grandstand play, but you can't help liking him for being a good showman. He knows his business.

They postpone recess to get through with Pete, and finally they are through with him and everybody is pleased and relieved. He and the other prisoners wait until the first rush of spectators leaves the courtroom, and then they are taken out to an anteroom for their cigarettes and stretching, too.

When I talked to my friend about it he said: "It don't make no difference. They're organized, just like a political party. There's a business there, and the dough's coming in, so there'll always be somebody to take over no matter how many of the big boys get knocked off. You don't kill the business that way."

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The first witness after recess is a fat druggist. He is sworn in, and then asked to identify Little Abie, Abie Wehrman, which he does successfully. Afterwards Abie stands up, a husky blond Jewish boy gone soft. The druggist testifies that Abie used to hang around his store, and that occasionally someone left a note for him. This was in 1934, he believes, the latter part. Everyone thinks this is pretty dull stuff, and the court is apathetic. They are done with him rapidly.

Now the other man who worked in that drugstore. He identifies Abie, with the aid of his spectacles, and he remembers the notes, but he can't put the time exactly. He doesn't remember any better than the preceding witness; they both have reluctance trouble. The defense counsel tries to make him as vague as possible, and then he points out, too, that Abie was just a kid then, wasn't he? About seventeen or eighteen, and he lived around there and used to hang around the drugstore quite a bit, the way a boy will. The picture is being filled out. Abie was just a young drugstore cowboy, and then he met someone somewhere, and now he's on trial for compulsory prostitution. This is dull stuff, thinks the whole courtroom.

Now they call one of those cops-and-robbers names, Jo-Jo Weintraub. Pete talked about him this morning. He was working for Pete, on the telephone. When the girls called the office, Pete booked them into the houses. They called up, and Jo-Jo answered the phone.

In person he might have frightened them. He's a tight-skinned bald man with a long nose and fishy eyes, a face made out of putty that ran a little when you left it by the fire. He corroborates a lot of Pete's evidence, and then they get him talking about Abie.

Jo-Jo testifies that Pete took him out to meet Little Abie, and that after that he used to go and pay him off. He left the notes in a drugstore, the same one where he'd met him the first time.

It all connects. Dewey brought them all in, and you see the picture in three dimensions, even to the reluctance of the clerks who work in the store and don't want to wreck their neighborhood trade by testifying. You get the picture of the three men standing in the drugstore, Pete, Jo-Jo and the young blond husky fellow, only seventeen or eighteen then.

"Jo-Jo, this is Little Abie."

"Hi-ya."

Jo-Jo just stares, with the fish-skin lids coming down over his eyes.

"You boys want to know each other a little better."

And then afterwards, on the way back to town, Jo-Jo, who snarls at everything, gets it off his chest.

"What d'ye want a baby-face like that in for?"

"You leave my worries to me, punk, see? I'll take care of my business. Get me?"

"Sure. Sure. If you say so, he's okay."

"Yeah, you're God damn right he is."

The next witness is a girl who got out of the business on Pete's advice, but she could only make twelve dollars a week as a waitress, so she went back into a house. The first week she ever tried it she made $312.

II

No one knows the annual income of organized prostitution in New York City. In his opening speech to the jury in the Luciano case, Special Prosecutor Dewey said he would show that the income of the ring of which Luciano was the head was $1,000,000 a month, but it is reasonable to suspect this figure. Even if the figure is not exaggerated, however, it is difficult to tell just what it means, so complex was the manner in which the receipts traveled from the proprietor of the house, the madam, to the men at the top.

In the two hundred houses the ring is said to have controlled in Manhattan, Queens, Brooklyn and the Bronx, the madam, after she had taken half for herself, turned over ten percent of the remainder of each girl's earnings to the booker. This came to $10 or $15 weekly. The booker, if he also bonded the girls, took $10 from each one, and $5 from the madam for each. So from a small house of three girls he might collect about $85 a week, and he might be handling as many as forty, or as few as half a dozen, houses.

On this he maintained an office and hired a couple of men at $35 or $40 a week to run the phones, so that when the girls called up on Sunday night he was prepared to assign them to houses. The booker's contribution to the syndicate ran to about $200 a week, but it varied considerably, as he was occasionally asked for "presents." These he paid, invariably.

The booker also had to hire collectors to go around to the different houses, urging the unwilling girls to pay the different tolls. Their methods were often brutal, but effective whenever they could find the girl involved. They took a little more graft from the madam, and probably from certain girls, too. This link in the chain was the weakest from the point of view of the syndicate, since the money rarely reached the top.

The syndicate itself had other ways of collecting. It sent strong-arm men around to independent houses, to insist that they join the ring. If they wouldn't join, as occasionally happened, the boys pulled the place apart before leaving. Usually after a couple of visits the independents joined. And there was another ingenious variation, based on the protection from hold-ups that the ring guaranteed to the syndicated houses. Instead of waiting for an independent house to be held up, when it would see that it needed protection, the ring had its own hold-up man, and he'd go around himself, thus putting the money in the right hands, whether the house joined or not. And occasionally he would visit one of the ring's own houses, if the madam was thought to be holding out on them.

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When the money got beyond the bookers, though, what happened to it seems still a little vague. Lucky Luciano lived in the Waldorf Astoria until the manager asked him to leave, that much is certain; and the money probably got to him, most of it. But whether there were any big boys behind him, or how much money he did collect, is still unknown.

As for the prostitutes, although individuals have testified that they earned more than $300 some weeks this is not of course the sum that they actually received. The madam takes half the girl's earnings, the booker takes ten percent, another $10 goes to the bonder (who is the booker, too), about $20 to the madam for rent (though this may be considerably higher), and $5 to the madam for a doctor, leaving the girl about $100 a week if she earns the high figure of $300. And she probably lives in a hotel with her man, who appropriates whatever he can. Still, as she is not usually of the mentality or education to look four or five years into the future, her position may very well seem to her much better than the dreary alternatives.

The alternatives are well set forth by a recent report of the Florence Crittenton League, Inc., on the histories of 561 delinquent and wayward girls. When they became delinquents, 33 had earned as little as $2.50 weekly; 21 had earned $3.75; 84 had earned $5; 85 had earned $8; 58 had earned $10; 34 had earned $12; 38 had earned $15; and only 15 had earned more than $16. Thirty had been without jobs when they became delinquent, 39 had never been employed, and 83 were schoolgirls. These figures indicate quite clearly that, despite all moral indignation, prostitution is a comparatively advantageous profession—for a few years. It is the best job these girls can get.

Investigations such as the present one do nothing to eliminate the prostitute. Lucky Luciano and his associates were merely taking advantage of an already extant and thriving, though illegal, business. But until she is eliminated there will always be formed some organization to control and benefit by the trade she carries on. The Seabury investigation of 1930-31 had considerable success in breaking up the organized vice and graft in New York City. Probably Dewey's present job will not do so well, since he seems to be evading the issue of possible—and probable—tie-ups with officialdom; but he will do something. Yet the ring he is now investigating was fully formed by the end of 1933, when the Seabury hue-and-cry had barely died down. And as soon as Dewey turns his back the cycle will begin again.

We may therefore recommend to Mr. Dewey that he make an appointment with himself in 1939 to commence a second investigation of vice in New York City. He will find it thriving once more, unless in the meantime the almost incredible should happen, and measures should be taken to assure a living wage to everyone willing to work for it.

JAMES BENET.

The Socialists Meet

AT CLEVELAND last week the Socialist Party prepared for the coming campaign, which may prove the most intensive in its history. In a convention that decided a two-year-old struggle for power and principle, the left-wing forces, led by Norman Thomas and aided by Mayor Daniel W. Hoan's Wisconsin delegation, performed two important tasks. First, they frustrated an attempt by Louis Waldman, leader of the "old guard" and former state chairman of New York, to split the party. Second, they unified the Socialist purpose of the great majority of the 250 delegates who nominated Norman Thomas as candidate for President, and George A. Nelson, "dirt farmer" of Wisconsin, for Vice President. They adopted resolutions and a platform that call for votes and action by the American people in the next few months.

Before the convention could get to work, it was compelled to concern itself with settling the struggle of the old guard to be seated as delegates, the culmination of many months of bitter controversy. Demanding forty-four seats, the full New York quota, Waldman, aided by James Oneal, fought to displace the left-wing representatives from that state headed by Norman Thomas and Harry W. Laidler. Waldman's allies of the Detroit convention two years ago, Jacob Panken and Charles Solomon, were not there to make the last-ditch stand with him, having been detained by judgeships to which Mayor LaGuardia had appointed them.

The debate on credentials lasted until past two o'clock Sunday morning. In a prepared speech, Waldman delivered a synthesis of his attacks on the left wing. His oration seemed designed neither to persuade nor to reconcile—and it failed to do either. The old-guard delegation was decisively turned down by the convention. In an effort to find a compromise formula, the Reading, Pennsylvania, delegation had suggested that each side be given twenty-two votes and the Wisconsin group proposed that the left wing yield twelve places to the old-guardists, but both of these propositions were rejected by roll-call votes. Against the Wisconsin proposal the Waldman followers were especially vehement because it involved a pledge from them to abide by the decisions of the party.

The New York old-guard delegates left the hall, never having been recognized as seated in the

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crowded convention except for a few unhappy hours on the platform, where they were given places of vantage. They walked to a nearby hotel, met lengthily and announced the formation of a Social Democratic Federation, with James H. Maurer of Pennsylvania as provisional chairman. Shortly, word came back from Reading that the aged standard bearer of the Socialist movement would not bolt the party to which he had given almost a half-century of service. The next morning the Pennsylvania, Massachusetts and Connecticut delegations, upon whose support Waldman had counted heavily, returned to the convention hall.

According to the report of the national secretary, Clarence Senior, in the convention were seated men and women who could no longer be described as "young and inexperienced." They had come from many labor fields, from Terre Haute, from the San Francisco strike area, from Tampa terror, from Arkansas' sharecropper counties. From the battle-front of industrial unionism came Powers Hapgood, Franz Daniel and Leo Krzycki, vice-president of the Amalgamated Clothing Workers. As delegates to the Socialist convention they and many others were pointed to as proof that in spite of commitments of labor leaders to Roosevelt, the whole labor movement had not climbed on the Democratic bandwagon.

The attitude of the left-wing-controlled convention was made clear in several ways. When the proposition to have a joint ticket was read in a communication from the Communist Party, the assemblage, with none dissenting, voted it down on the motion of Maynard Krueger. Waldman's cry that the left wing was Communist was thus thoroughly disproved. Nevertheless the convention later made clear that this action does not forbid various Socialist groups from entering into joint efforts with Communists on specific issues such as the Scottsboro and Herndon cases. A referendum of the party after December 1 will decide the united-front question.

In the nominating session presided over by Darlington Hoopes of Reading, the Socialist convention for two hours seemed to transcend the ordinary nature of a radical political gathering. When Norman Thomas' name was put in nomination by Harry W. Laidler the hall rocked with applause and the singing of the "Internationale." Dan Hoan, whom many had regarded merely as a canny centrist, neither right nor left, seconded the name of Norman Thomas in words that could not be called either qualified or middle-of-the-road. When Hoan finished, pandemonium broke loose. It was not the manufactured enthusiasm that one expects at old-party conventions. As Ralph Harlow of Massachusetts said, the convention was telling the nation over two radio networks that the Socialist Party was in the 1936 campaign to the hilt.

In accepting the nomination, Thomas declared: "We are being told by many voices, among them the voice of labor leaders, that the best the workers can do is to rally to Roosevelt against reaction. . . . Roosevelt or reaction? What does that phrase mean to the exploited peons of the cotton fields or to the slaves of Florida's flogging belt whose first rays have come not from the rise of any Democratic sun?" He went on to recall the cry in 1916 of the liberal and labor leaders who shouted, Wilson or war, and got both. He stressed the parallel of twenty years ago, when supporters of that other Democrat trotted out a list of achievements such as the Adamson eight-hour law and the Clayton Act, labor's Magna Charta of the year. "Moreover," Thomas emphasized, "socialism is not the sum total of useful reforms, however useful some of them may be. It is a new system of public ownership and democratic management of our economic resources and processes."

On the problem of war and the threat of war, the convention declared itself as follows: "In the light of the experience of the last War, when many working-class movements were tricked into support of imperialist war under the guise of a holy crusade, the Socialist Party of the United States proclaims that no capitalist war can be a good war. . . . Sanctions applied by one or more capitalist nations against another are merely a form of imperialist rivalry and cannot be supported by workers. . . . Should the American government, or any capitalist government, for reasons of its own, enter into an alliance with the Soviet Union, defense of the Soviet Union does not include support for the capitalist allies of the Soviet Union in a war. . . . The Soviet Union can best be defended by carrying on the class war in all countries."

In a discussion of a farmer-labor party, the convention declared that "the Socialist Party reaffirms its willingness to coöperate with the national and state labor and farm organizations when they are ready to set up genuine farmer-labor parties." It warned against quickly set up local labor or farmer-labor parties because of their "instability, which would endanger or discredit a permanent farmer-labor party," and because they might become instruments of old-party politicians. "We must carry the work for a farmer-labor party into labor and farm organizations until such time as a substantial portion is prepared to participate in the founding of such a party." In the meantime, in 1936, "there can be no better way to advance the interests of a farmer-labor party than to roll up a huge Socialist vote."

Before the convention adjourned, plans were laid for an intensive drive among labor and farm organizations to gain support for the Farmers' and Workers' Rights Amendment to the Constitution, introduced into the Senate by Senator Elmer Benson of Minnesota at the request of the Socialist Party. A fleet of red sound trucks is planned for the Midwestern and Southern states. The Workers' Defense League was set up for more efficient defense of civil liberties and the rights of labor. Support of the Wisconsin News strikers in their fight against Hearst was pledged by the convention.

Cleveland. JOHN HERLING.

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Washington Notes

Representative Bell Stalks Fame and Townsend Scalps—Clements as Investigator —Townsend-into-Messiah

REPRESENTATIVE C. Jasper Bell was chosen to head the Townsend investigation primarily because he was known to be a lieutenant of Boss Tom Pendergast of Kansas City, and, as such, to be safe from reprisals by the O.A.R.P. No one, apparently, realized that Mr. Bell's family line sparkled with statesmen as a Christmas tree does with candles, and that, no less than Dr. Townsend, he lusted for fame. His collateral ancestor is John C. Bell of Tennessee, Speaker of the House, United States Senator and Constitutional Union (or Know-Nothing) presidential candidate against Lincoln; three of his father's cousins were members of Congress, one of them, John Calhoun Bell of Colorado, being celebrated in his day. His maternal grandfather, John L. Robinson, was Kentucky's Civil War Governor, and a maternal great-uncle was United States Senator.

Mr. Bell's assigned objective was to create dissension in the Townsend movement by revealing the cold greediness of its iron-handed boss, Mr. R. E. Clements, and this was achieved before his committee held its first meeting. Clements resigned, and it was evident that the movement was split into fiercely quarreling fragments. The hundred representatives who feared defeat at the hands of Clements in the November elections breathed a hundred sighs of relief. In particular they congratulated themselves that the Townsend menace had been removed—at least temporarily—without martyrizing the aged Doctor.

No such unearned victory, however, could content C. Jasper Bell, or Mr. James R. Sullivan, the belligerent little police-court prosecutor whom Bell had imported from Kansas City. They had no intention of being cheated of their investigation. Their watchword was "Excelsior." Almost at once, however, they encountered a grave difficulty. They were unable to make head or tail of the O.A.R.P.'s accounts. When the pallid, even-voiced Mr. Clements offered to help them, they accepted. Thus the investigation began, under the watchful eye of the man it was chiefly supposed to catch.

During a long adjournment, the committee collected evidence concerning the unsavory past of Clements' great rival and opponent—Mr. Edward Margett, Townsend leader of the Los Angeles area. It also collected odd-sounding stories about Dr. Townsend. There was nothing more, however, about Clements, or Clements' management of the main Townsend fund, reputedly more than $1,500,000. It was true that Clements had resigned, yet if Mr. Bell was resolved to continue his investigation, Clements was clearly his target. Doubtless some of Mr. Bell's statesmen-ancestors could have told him that, in concentrating on trivia about Margett and Dr. Townsend, he was innocently exposing himself to charges of persecution. In due time the charges were made, and Dr. Townsend marched from his committee room. A lesser man, of lesser ancestry, might have faltered. C. Jasper Bell plunged straight ahead, and has now cited five witnesses before the House for contempt, an all-time American legislative record. Moreover, Mr. Bell plans shortly to resume the questioning of Clements.

If Mr. Bell deserves more respect than he has had, Dr. Townsend apparently deserves a certain judicious tolerance. Persons in close touch with the O.A.R.P. say that he defied the Bell committee not because he wanted to execute a smart political trick, but because he could not endure the slurring allusions of Mr. Sullivan, and the talk about "hatfuls of money," and schemes "with millions in them." They insist that Dr. Townsend is a very different personality from what he was two and a half years ago. He was then a played-out man, subsisting miserably on his pay as real-estate salesman for Clements. He was haunted by the enormity of the injustice of life, and beset by wild, strange thoughts. Out of his confusion came a plan by which all old people should receive their deserts. He was intensely grateful to Clements, his boss, who agreed to give his plan life and form, and worried by the fear that Clements, and the tough-minded organizers that Clements drew around him, might regard him as a doddering, old bore. He tried to be like them, and boasted about hatfuls of money, and wrote "You-and-I-Earl" letters to Clements.

A definite change seems to have come over the Doctor about last August or September, when he first began to speak of himself as a possible presidential candidate. Apparently twenty months of worshiping audiences had at last convinced him of the validity of his mission. He no longer needed Clements' approval. Clements was a small speck, far below him. That he had ever talked about hatfuls of money apparently dropped from his consciousness. When Mr. Sullivan, with his bullying, third-degree manner, tried to drag him down from his lonely height and confront him with his movement's financial manipulations, the Doctor showed visible strain, and at the end of two days blew up.

It is reported that, throughout the investigation, the Doctor has been seemingly unaware that his movement was in acute danger. Snugly ensconced among his Baltimore followers, he has busied himself photographing nearby historic spots. According to a statement in The Townsend Weekly, the Doctor feels that he has had a great privilege in his travels and wishes to share them with his followers. Accordingly, he hopes to have an album made containing snapshots of the places he has visited, which will be distributed to Townsend clubs. He is also planning a history of machine civilization and has outlined a chapter on the invention of the wheel and its consequences to humanity.

Members of Congress who, in the last year, have watched Clements in action say that technically he is the ablest political boss to appear since Mr. Will H. Hays defeated the Wilson administration in 1920. He is an extraordinary organizer. For many months, not a step was taken throughout the Townsend movement except at his direction. During the past winter he created an apparatus for statistical analysis of congressional districts rivaling that of Mr. Emil Hurja, the slide-rule expert of the Democratic National Committee. Clements is said to have been sure of carrying a hundred districts and to have had expectations of another fifty. The control of even a hundred votes, however, would have made him a first-class political power, unquestionably a dangerous one.

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Observers doubt that there is anyone else in the Townsend movement capable of taking Clements' place. Apparently Clements alone appreciated the necessity of compelling the local Townsend clubs to vote as units. This cardinal principle of strategy has been altogether lost sight of. In a recent primary in Oregon, no less than four rival Townsend candidates took the field, and all ignominiously lost. In the Ohio primaries, the Townsendites were everywhere split between the Republican and Democratic nominees. Mr. Sheridan Downey, the present spokesman for Dr. Townsend and a recent convert from Mr. Upton Sinclair's EPIC, is regarded as a dilettante—an estimate strengthened by reports that he wishes to back Borah as a third-party candidate. The Reverend Gerald L. K. Smith, with his loudly voiced proposals for uniting the Share-Our-Wealth followers of Huey Long, the Townsendites and the adherents of Father Coughlin, is being taken still less seriously. The former Long machine in Louisiana has apparently reached an understanding with the Roosevelt administration, while in Mississippi the Share-Our-Wealth movement is reported to have been annexed by Senator Bilbo.

Washington. T. R. B.

Other People's Money

Wall Street's Dirty Back Yard—S.E.C.'s Landis Is "Reasonable"—The Sun Makes Unemployment Vanish

BACK IN the days of Coolidge and Hoover, when the crap-shooters in Wall Street were playing with the securities of the nation, we used to hear a good deal about the operations in unlisted securities of the Curb Market and other smaller exchanges.

The New York Stock Exchange will not permit trading in any shares of any corporation unless that corporation is listed on the Exchange. And the corporation could not be listed unless the corporation itself applied for listing. To do this it was compelled by the Exchange to furnish a great many data about its affairs.

The same rule applied on the Curb Exchange. But there the brokers maintained what was called an unlisted market, made up of the shares of corporations which were traded in without any formal listing. The corporation did not apply for listing and, of course, no information was supplied to the Curb Market or anyone else about the corporation's affairs. This rule prevailed on many smaller exchanges.

On this point several facts are worth remembering. One is that if it is a good thing to compel all listed corporations to furnish the essential facts about their affairs, why are the shares of a large group of corporations admitted to trading on the Curb without this protection for the public? The next point is that the Curb is merely a sort of backyard for the members of the Stock Exchange, where they can do the things they cannot do on the big exchange. It is not generally known that the Curb Exchange members have very few customers as such. They are for the most part floor traders and specialists. Their customers are the large New York Stock Exchange firms, which deal directly with the public and pass the orders on to the Curb members to be executed for them. So as long as the unlisted market on the Curb exists, the New York Stock Exchange firms, maintaining a front of great respectability in their Broad Street temple, can carry on to their hearts' content in the Curb Market over in Trinity Place.

For this unlisted market, there is, of course, no possible excuse. The abuses that go forward under its solemn pretentiousness are many, varied and well known. For this reason a provision was included in the Stock Exchange Act of 1934 which, while permitting trading in unlisted securities for the time being, required the S.E.C. to study and report on the subject by January 3, 1936. This was the first formal study of the S.E.C. that was completed. It was one of those subjects in which Wall Street, particularly its shadier side, is vitally interested. And when the study was completed, Mr. James Landis, chairman of the Commission, appeared before Congress as the champion of the unlisted market. As a result Congress passed a law permitting trading in unlisted securities. And as a further result, I have no doubt, Wall Street is sounding the praises of the young chairman of the Commission, who has been found so intelligent and reasonable in understanding the troubles of those highly persecuted gentlemen in the Street.

The New York Sun has been publishing a series of large ad-like boxes giving statistics about taxes, unemployment, relief costs and the like, designed to blast the New Deal. Apparently these statistics have been prepared in the business office, for they bear all the marks of business-office thinking. One of these brilliant studies occupies a whole page. It is designed to show that industry has done its part in rehiring labor. "No more than 3,200,000 are unemployed in all industries and trades!" it proclaims in great black letters.

The precise figures are not given. But samples of particular industries are given and the data there reveal the technique of the statistician. The figures on average employment for 1929 are given. Then the figures on average employment for 1935 are given. This shows that there were "only" 3,200,000 fewer persons employed in 1935 than in 1929. Therefore, The Sun concludes, "unemployment" in the factories is only less by that amount than in 1929.

But what is unemployment in an industry? Does The Sun take any note of the fact that the industry of the nation must bear some relation to the size of the nation itself? And that since 1929 some three million workers at least have been added to the number available for work? If the industries shrink while the working population expands, can industry escape its responsibility by ignoring the expansion of the population? While the working population expanded several millions, industry has apparently shrunk 3,200,000. That's plenty.

Then The Sun deliberately distorts its findings. It declares that its "survey" shows that 26,780,000 of a possible 29,937,000 workers have jobs today in industry, etc. But its own detailed figures show that the comparison is not between the number at work and the "possible employable population" but between the number at work in 1929 and the number at work in 1935, ignoring completely the growth in working population.

How did The Sun arrive at its figures? Did it send out a questionnaire to all employers? You may be sure

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it did not. It would cost several million dollars to make a survey of employment such as The Sun pretends to have made. The incompleteness of the "survey" is demonstrated by two points. "Here are the facts," says the yarn, "with thousands of employers in every state of the Union standing up to be counted." Thousands? The employers run into the millions. Then across the top of the "survey" in large black type runs this request: "Send in your company's figures if you have not done so." Then at the bottom is the announcement that "further reports on The Sun's poll of employment will appear on Saturdays until the survey is completed." Though it is not completed, that does not prevent The Sun from announcing the full result of the incompleted poll.

JOHN T. FLYNN.

Hollywood's Half a Loaf

THE BOYS in Hollywood must get bewildered if they turn to the right sort of left criticism occasionally. In the day-to-day course of their business they've developed an art of screen fiction that is equaled nowhere; but the comment on this is the prevalent formula: Hollywood slickness. They learned first and learned for keeps that camera spectacularism is more of a hindrance to a picture's motion than the mantle of art itself; but the comment here is the dark question: Ah, where is the camera of the exiled Pflugg, of Pirojok or Pissé, or of the superb Pckzy, who has eliminated motion and whose amazing study of decomposition may be seen tonight through individual stereopticons at the New Museum of Social Moderne? And so on.

The boys get their worst drubbing on the score of content—and even more so when they attempt to include some they have long been reviled for not including. When they made "Black Fury" they made it as good a strike picture as they knew how, but localized the issue and otherwise pulled teeth to the end of selling it here and abroad. So when the social-hopers got hold of this picture, which made the idea and need of strikes more understandable and real to more people than any picture ever released, they went angrily on, reducing their own principles to the final absurdity of the proposition that anything not a whole loaf is necessarily an anti-loaf, or rat-biscuits.

The two sides don't get together. Movie people tend to understand things in surface terms rather than basic principles. But their command of surfaces is supreme, so that when in their best stride they show a thing, there is no need for thumbing back through Marx to find if it is safe to believe, let alone laudable: the thing exists by itself for its moment on the screen, unquestionable. Whereas the professional content-sifters have all the correct principles in their little black bag, but small comprehension of how a story is set in motion or of its possible effect on audiences.

M.G.M.'s picture "Fury" is a powerful and documented piece of fiction about a lynching for half its length, and for the remaining half a desperate attempt to make love, lynching and the Hays office come out even. But I doubt if those who see it will carry the whitewash part of it so long in their minds as the straight action of the introduction and middle. The boy (in the person of Spencer Tracy a homely human boy, a little old and clumsy and hulking) sees his girl off on the train and goes back to his two kid brothers, whom he is trying to keep out of dangerous mischief in their unemployment; and the routine of his job, where he is scraping pennies toward his marriage. The three chaps get a gas station and make it go; the boy buys a cheap car; and finally he starts out to get his girl, after months and years with his dull pain of wanting her.

But a small-town force picks him up for a kidnaper: a mistaken identity that will clear up in a minute—but doesn't clear up. And then the mob begins to work and we get about the finest exposition of ferment in motion that has ever been done. The gossips, the trouble-makers, the stout citizens. Gatherings in bars, easy talk, the dynamite of outraged womanhood and other standard American (*i.e.*, easy and dithering) ideals, and the spark to set it off. And then the crowds gathering—only a few active ones, the rest coming to gawp and joining in—the mounting hysteria and march on the jail, and suddenly the jailhouse, the object, giving pause. The sheriff with his lean figure and white hair standing out on the steps, trying weak reason and invective, invoking state troops and rallying his scared deputies. And in the middle of this stupid growing fury, with such fine submental types as Bruce Cabot in the foreground, this picture has the true creative genius of including little things not germane to the concept but, once you see them, the spit and image of life itself—as witness the kid hanging on to one of the vantage points attainable by kids, and during a lull in the crowd's roar giving out a fair imitation of Dave Fleischer's theme line: "I'm Pop-eye the sailor man *(wheat wheat)*." It goes beyond the thick noise and action of mob fury as a concept, to the macabre sidelights—the kids, the hurled tomato, the women's taunts —that make it not only more likely but more terrible.

Anyway, failing to get him, they fire the jail, and his cell window is framed, small and high and desperate, when his girl finally arrives to witness what they are doing to him with fire and smoke and mob frenzy—only they had to dynamite the burning jail to cover up their guilt before the troops arrived, blasting the place open and allowing him to make a secret getaway, burning his side off. Then we go on to the trial, which is tense, especially in the introduction of newsreel action and stop-action shots of riot, but marred by a nance of a district attorney and by confusing plot trends. By now they are trying to change a lynching picture into a love and personal-vengeance story.

Even in its powerful moments this is not the story of a typical lynching—there is no race angle, there is a dimly implied class angle, there is no mutilation and the man escapes. And then minor discrepancies: the sheriff has a strange sense of justice and, insulted and stoned by his townspeople, stands like Jesus Christ with a rifle, I mean he won't shoot; but after being slugged and thrown out of his own jail he perjures himself to conceal the identity of even those rabble-leaders already shown to be public enemies and thorns in his side. The Governor is justice incarnate (the evil genius is some unnamed political boss); and that strike-riot squad sometimes referred to as the National Guard is shown here as a national guard. But even if these facts cannot be considered canceled by such incidental edges as the comment on the newsreel, on the radio announcer, the editorial bit about how we are always hanging our own community troubles on foreigners, etc., they have

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bearing only on how typical and agitationally useful the story is, not how true it is to the strange facts and contradictions which may be called either the exceptions to historical rule, or the actual stuff it is made from.

For those who already have all the dope on lynchings, "Fury" will have nothing to say, and will not say all of that; for those whose business it is, it will prove meaty matter for angry discussion. But, if you will be patient with me in a crusading moment, who in God's name is to be educated around here anyway? That handful of liberals and last-gaspers who have known all the answers these many years? The people to get to are those who don't even know the questions yet, and on these little will be lost by a movie company's trying to eat its cake and sell it to the chains too, so long as on the one subject they treat, however obliquely, terror is made true and the truth terrible.

OTIS FERGUSON.

The Bandwagon

When everything has been revealed of that period it is probable that proof will be found supporting the charge that Mr. Roosevelt himself avoided doing anything helpful and that his supporters did everything harmful they could. The country weaved its way blindly to the crash, which was nicely timed to coincide with the inauguration. The revolutionaries had not only preserved their depression but they had brought it to its full paralyzing effect just when they could take over and assert that only their methods would save what was left.—*Editorial in The Chicago Tribune.*

Westboro, May 5.—This town may be faced with a flag-salute case if Harvey, 12, and Gordon Kemp, 10, follow in the footsteps of their father, Neil Kemp, 40, of 98 South Street, who has resigned from the American Legion post here because he has joined Jehovah's Witnesses.

His resignation, proffered last night, was accepted unanimously by the Legion today, and a committee was appointed to watch the two children in the schools and ascertain whether they salute the flag.—*The Boston Post.*

Tom Kromer, who wrote one of the sincerest and most haunting stories of a bum's life in the depression, "Waiting for Nothing," was asked to leave the C.C.C. camp in Calaveras County, where he had been working, because he sent his manuscript to Lincoln Steffens.—*Pacific Weekly.*

What this country now needs is a new cabinet position—a Secretary of Business Management. . . . And, I might add in closing, I personally would like to apply for the job.—*Bernarr Macfadden, in an editorial in Liberty Magazine.*

It is inexcusable and of incalculable damage to have people, in ignorance or malice, call our Constitution the product of "revolution." The War of Independence was no revolution; it was an orderly, disciplined resistance, of all classes, to the violation of those sacred rights which our ancestors forced King John to acknowledge at Runnymede. —*Circular distributed by The American Christian Union.*

CAREFUL, DECASSERES! DON'T GET YOURSELF FIRED!

Tugwell was at that time a private citizen and an assistant professor of Economics in Columbia University. He was, therefore, using his constitutional right to say what he pleased and advocate any doctrine he pleased.—*Benjamin DeCasseres, in The Boston American, a Hearst newspaper.*

O TEMPORA, O CAFÉS!

France needs rebuilding. To anyone coming here from abroad after a few years of absence it gives the impression of stagnancy and almost of decay. The Champs Elysées, which used to be the glory of Paris, has become a street of cheap shops and cafés.—*From an article by P. J. Philip in The New York Times.*

Our readers are invited to contribute to this column and $1 will be paid for each item used. Address the Bandwagon, care of The New Republic.—THE EDITORS.

CORRESPONDENCE

The Sunny Side of Fascism

SIR: The correspondence between Allen Tate and Grace Lumpkin in your issue of May 27, about Miss Lumpkin's interview with me in the February issue of Fight, requires a postscript from me on one point. In general Miss Lumpkin's efforts as a female Spivak have afforded me much amusement and were I alone concerned I would not dream of bringing up such sordid matters as accuracy in connection with so delightful a specimen of the Communist art of interviewing. (Your annotator called the interview "very strange." Doesn't he read Communist publications?) But since Miss Lumpkin has ascribed her peculiar version of my ideas to persons whom I admire and who differ strongly with even the authorized phrasing of them, I am obliged to make the correction.

Miss Lumpkin says in her letter to Mr. Tate: "As you will see by rereading the interview, it was Mr. Collins who identified you as a member of his group. The fiction or inaccuracy, or whatever you wish to call it, is his. I quoted Mr. Collins correctly." I do not blame Miss Lumpkin for sticking to her story, but on this point both the interview and the letter are in error. I said nothing to indicate that I was speaking for Mr. Tate, the Southern Agrarians, or anyone but myself. On the contrary, I specifically stated, and repeated it whenever the questions seemed to involve others, that I was voicing my own ideas, and that many of the contributors to The American Review, including the Southern Agrarians, differed with me. I could not have called Mr. Tate a member of my group. I have no group.

Miss Lumpkin's first questions concerned the Southern Agrarians, to which I replied that except on certain economic principles which we share I could not speak for them and offered her magazines and books containing their writings. She then asked me my own opinions (as I assumed, and stated) on numerous points, supplemented by questions from a young man who accompanied her, whose horror at my views was so amusingly manifest that I indulged in some extravagances for his special benefit. These, as well as my attempts at levity in the face of preposterous questions, were of course all taken very solemnly. But on all this, and the general gross distortion, I have no complaint, that being what one expects in a Communist interview. My only real complaint is

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that Miss Lumpkin should have been careless enough to involve others in her caricature of my opinions.

As to whether the Southern Agrarians are "fascists," Mr. Tate has abundantly shown that he despises both the word and the thing, and prefers communism. On this he and I stand in sharp disagreement. I believe his opinion rises from a misunderstanding of the nature of fascism, which he identifies with its plutocratic aspect, whereas I see it as essentially and ultimately a "petit bourgeois" movement tending toward an agrarian and distributist society. It is for this reason that I do not mind being called a fascist, but rather enjoy it: though I naturally regret that this should afford occasion for contributors to my magazine being labeled with the abhorrent word. But as I have pointed out to them, and as Miss Lumpkin's letter illustrates, there is too much similarity between their avowed ideas and those prevalent in fascist movements to escape being called fascists, were I not alive.

My hope is that this country can achieve a sound social order—by which I mean agrarian and distributist—without repeating the tragic and repulsive parts of fascist experience elsewhere. This will only come about if the principles of the Southern Agrarians (which are superior to those of any fascist country) can achieve prompt and widespread support. For that reason I wish the Southern Agrarians and their allies all success, and will continue to do, as I have in the past, all I can to forward their work. I fear, however, that what seems to me their inadequate appreciation of the political insight and the agitational abilities of the Fascists—and of the Communists, too, for that matter—will handicap them. The Communists are likely to go faster than they do, and become a real threat. Then we will be lucky if the fascist regime we will get is half so good—half so sympathetic to agrarian-distributist ideals—as the regime of Mussolini or Hitler. Meanwhile, I anticipate some diverting sequels—Miss Lumpkin's letter is a sample—to the decision of some Agrarians to join the Communists' "united front."

SEWARD COLLINS,
Editor, The American Review.

New York City.

SIR: Mr. Collins' letter has convinced me (if my interview with him did not) that he and the Southern Agrarians have nothing in common. For I am sure the Agrarians, in their loyalty to Southern traditions, would not overlook the important one of chivalry or call a lady a liar.

But it is obvious that Mr. Collins was in an uncomfortable position and had to do something to placate his Southern friends. Therefore I excuse him for saying that some of the questions and answers were "made up out of whole cloth," and for his other inventions about the interview, realizing that necessity is a stern mother.

As to Mr. Tate, I leave him with genuine regret and sadness as he goes about with his butterfly net busily recapturing Southern traditions.

New York City. GRACE LUMPKIN.

[In this three-cornered argument, Mr. Tate, Miss Lumpkin and Mr. Collins have made their position clear, and not much comment is necessary. The remaining point at issue is chiefly one of personal accuracy. To the public at large it doesn't matter much whether Mr. Collins actually said that Mr. Tate agreed with his romantic ideas, or whether Miss Lumpkin put the words into his mouth. In either case Mr. Tate has made it absolutely clear that Mr. Collins' opinions are far from being his own.

It was gratifying to hear that Mr. Tate is opposed to fascism—so deeply opposed that, in his own words, "I should choose communism if it were the alternative." But we wish that he would reflect on a point emphasized by Mr. Collins as well as Miss Lumpkin, namely, that some theories of the Southern Agrarians are quite close to part of Hitler's and Mussolini's programs—the demagogic part of them, naturally. The danger is that the American fascists, now completely lacking in intellectual respectability, will seize hold of Mr. Tate's ideas and some of his associates also.

As for Mr. Collins, we feel that his sunny and amiable type of fascism is less dangerous than it is irresponsible. The fascism to be feared in this country was best revealed by the Ku Klux Klan in 1924, and by Hearst, the Liberty League and the Black Legion in 1936.—THE EDITORS.]

Shall We Amend the Constitution?

SIR: Permit me to make the following observations with respect to your editorial in The New Republic of May 27 on the decision on the Guffey coal law, and your proposed "Twenty-third Amendment."

In the first place, the decision was not "by the customary six-to-three margin," as reported in the daily press and repeated by you, but by five to four. Our leading dailies, having all along insisted that the Guffey law was "flagrantly unconstitutional," were rather discomfited by the fact that the Supreme Court was divided on the subject, and naturally tried to minimize the dissent. They were particularly discomfited by the fact that Mr. Hughes, an eminent conservative, and the Chief Justice, was of a contrary opinion. They therefore took advantage of the difference in the reasoning among the dissenters, a difference which related only to a portion of the law, in order to make it appear that Mr. Hughes voted to invalidate the entire law. But, surely, there is no reason why a liberal journal should follow their lead and help perpetuate the fraud.

This is, however, a minor point. My real grievance against your editorial is the assumption that it needs an amendment of the Constitution in order to make the Guffey law constitutional. That assumption is entirely unwarranted. All that you say in favor of the constitutionality of the Guffey law can be said with equal force under the Constitution as it stands today. In fact, it has been frequently said, and by no less authority than the minority of the United States Supreme Court itself. Whether your proposed Twenty-third Amendment would clinch the matter, and prevent the present or a possible future majority of the Court from holding otherwise, is a matter of considerable doubt. My own opinion is that so long as the Supreme Court exercises the power to declare laws unconstitutional, there is no way of telling what its decision will be in a particular contingency, no matter what the Constitution itself says. Also, having given considerable study and thought to the course of judicial decision under the Fourteenth Amendment, I have come to the conclusion that constitutional amendment is not only a difficult but an extremely hazardous process. So, notwithstanding our present plight, the thought of a constitutional amendment "must give us pawse," in order to seriously consider whether we would not "rather beare those illes we have, than flye to others that we know not of."

New York City. L. B. BOUDIN.

Made in U. S. A.

SIR: In a review of my book, "The Negro Question in the United States," appearing in your issue of May 13, Malcolm Cowley refers to me as "an American Communist trained in Moscow." Evidently, Mr. Cowley is misinformed.

As much as I would have liked it, I never had the opportunity for study outside the United States, including Moscow. I was born in Philadelphia, went through the American public-school system and graduated from the University of Pennsylvania. I came by my Communist convictions through study and critical observation. My experiences as Communist journalist and editor, particularly of The Southern Worker, and my activities in the movement for Negro rights supplied additional training which proved invaluable in writing this book. The book and its author are both products of the United States.

New York City. JAMES S. ALLEN.

"I Pledge Allegiance"

SIR: It is interesting to note the ironic part the teachers' loyalty-oath law plays at Williams College. One history professor, while discussing one of the European revolutions of the nineteenth century, asked a student if he believed in revolution. The student answered, "yes, if it is justifiable," and naturally enough the professor replied "yes, yes." It was a casual reply signifying his acceptance of the answer the student gave, and nothing more. The class knew the professor had not intended to express agreement with the student's statement. But the professor must have felt uncertain of the class's interpretation, for he quickly and forcefully

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stressed the fact that he was not preaching the overthrow of government by revolution.

I have seen other professors defend themselves needlessly in the same manner.

The faculty of Williams College is either Republican or Democratic, conservative or liberal, in its political tendencies, with possibly a very slight tinge of socialism painted in sporadic dabs. The ironic part the teachers' loyalty-oath law plays is simply that it compels even conservative teachers to be cautious or they too might fall under the category of Bolshevism.

The teachers' loyalty-oath law is a powerful stimulant to the art of self-defense.

ROBERT WALLACH.

Williams College, Williamstown, Mass.

About Mr. Clausen

SIR: In Mr. Athearn's article, "How an Anti-Red Committee Works," in your May 13 number, he speaks of Fred Clausen as being president of the University of Wisconsin regents. Mr. Clausen is no longer a member of the regents at all; Harold M. Wilkie is present president. Please credit our university to this extent.

Madison, Wis. NONA B. MCKINNEY.

Better Wait Than Never

SIR: Getting Norman Thomas to review Browder's book [The New Republic, May 6] was a good stunt, and interesting to read, but The New Republic still owes its readers a more scientific and objective review of the book, which after all is an important one.

In Mr. Thomas' mind there apparently exist two entities: the Capitalist World, which is exactly the same in 1914, 1920, 1932 and 1936, with all its horrors, and the Principles of Socialism, or the "Coöperative Commonwealth," which must be patiently taught until the majority of people suddenly drop their tools and embrace them. He seems to have no sense of time or change, of forces being created and moving forward or backward, of masses of people being aroused to action, desperate and indignant, with several avenues open to them and a terrible need for a sure and confident guide. This is the source of his bewilderment over the "new line," which is based on the principle that a Marxist party must not only uphold a future ideal but must tell people what to do today and tomorrow, alive to every opportunity that arises and every danger that comes. . . .

Norman Thomas is one of the most lovable personalities in popular life today. Unfortunately, when he says, "Better wait for a genuinely inclusive farmer-labor party," his whole political philosophy can be summed up in the words "better wait." Why not actively help it along?

New York City SIMON WELLS.

The Massachusetts Teacher and The Open Road

SIR: It is true, as you say in The New Republic of April 29, that The National Education Association Journal has reversed its decision and will accept The Open Road's advertising of Russian tours.

But now the beast has grown another head. We have just received the following letter from the agency that handles advertising for The Massachusetts Teacher, in response to our request for a written statement giving the reason why an advertisement of ours was refused by The Massachusetts Teacher:

> We have asked The Massachusetts Teacher for a statement as to why they did not accept The Open Road advertising. In return we have a letter, and from it I am extracting the paragraph that answers this question. "However, the sum and substance of it is that the Teachers' Federation will not accept any advertising that has to do with the Soviet Union. Last year the local papers criticized the Federation for running the Intourist ad, and they voted this year to discontinue anything along this line at all." This is an attitude of course which we do not approve, and which I do not believe the publishers of the magazines are in sympathy with. However, the fact is that various agitations and the teachers' loyalty-oath propaganda seems to be heavier in Massachusetts than in any state in the country. Since the teacher association is dependent upon State Legislature for many things, they are evidently leaning over backwards to forestall any criticism.

JOHN ROTHSCHILD,
New York City. Director, The Open Road.

From The New Republic Mail Bag

From Merle Anderson, secretary of the Committee for Maintenance of Constitutional Right of Legal Defense, 2523½ Hearst Avenue, Berkeley, California, we have received news of the charges brought by an American Legion Committee against Aubrey Grossman, a recent law-school graduate who had just been notified that he had passed the bar examination and could be admitted. Grossman must defend himself against charges of "pernicious radical activities, holding Communist beliefs," and disbelief in the Constitution, at a hearing on June 5. The committee points out that these are the usual charges against labor leaders, and it believes they presage an imminent general offensive against labor and labor defenders. They urge all individuals and organizations interested in preserving constitutional guarantees of freedom in California to write or telegraph protests immediately to Claude Minard, secretary of the State Bar of California, Mills Tower Building, San Francisco.

Virginia Scott, of the Chicago Writers' Group, sends us a call for the Midwest Writers' Conference to be held in Chicago, June 13 and 14 (the announcement is issued by a sponsoring committee that includes Meridel LeSueur, Jack Conroy, Nelson Algren and others). All interested writers are urged to communicate with the Midwest Writers' Conference, Chicago Writers' Group, Room 1003, 6 North Clark Street, Chicago, Illinois.

The Workers' University of Mexico (Universidad Obrera de Mexico, Rosales 26, Mexico, D. F.) mails us an announcement of its forthcoming summer session to be held June 29 to August 22 for teachers and students of social and economic conditions in the United States and Mexico. . . . The Bureau of New Plays, Inc., 1270 Sixth Avenue, New York City, is offering six prizes of $500 each for the best play of human relations on a romantic or domestic theme; best play on a social theme; best melodrama; best farce; best satiric play; and best character play, modern or historic. All plays must be original, full-length, unpublished and unreproduced by any professional theatre, and the authors must be present undergraduates or graduate students of American or Canadian universities or alumni or former students who have left college within the past three years. The competition opens June 1, 1936, and closes October 31, 1936.

The American Committee for Protection of Foreign Born informs us of the International Conference for the Right of Asylum for political refugees to be held in Paris June 13 and 14.

The American Friends' Service Committee sends us a program of its coming Institute of Race Relations to be held at Swarthmore College, Pennsylvania, July 5 to 25. A number of distinguished leaders will participate in discussions of the problems of race prejudice, race conflicts and race adjustments, with emphasis upon Negro-white relations.

What's on the Air?

Senator Henry P. Fletcher discusses the issues facing the delegates at the forthcoming Republican convention. Sunday, June 7, 6:30 to 7 P.M., C.B.S., and 7:30 P.M., N.B.C.-WEAF.

Charles A. Beard speaks on "The Living Constitution." Tuesday, June 9, 7:45 to 8 P.M., N.B.C.-WJZ.

The Republican National Convention, starting Tuesday, June 9, will be broadcast intermittently by both major networks.

Judge Camille Kelley, of the Juvenile Court of Memphis, Tennessee, is guest speaker of the Woman's Radio Review. Wednesday, June 10, 4 to 4:30 P.M., N.B.C.-WEAF.

Premier Mussolini speaks from Italy. Wednesday, June 17, 5 to 5:30 P.M., N.B.C.-WJZ.

All times given are Eastern Daylight Saving Time.

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BOOKS IN REVIEW

Postscript to a Paragraph

LAST WEEK, after writing about Edmund Wilson's "Travels in Two Democracies," I felt thoroughly dissatisfied with the final paragraph of my review. It might as well be confessed that this has happened before, and will continue to happen unless I recover with age from the writer's occupational disease of procrastination. Usually these final paragraphs are hammered out in the chill dawn of a Monday morning, just an hour before the irrefrangible and bulletproof deadline. I begin them with the feeling that, in the review written during the night, I have expressed not half the ideas that seemed so important—and I try to crowd the rest of them into a few blunt assertions; or still worse, I try to suggest ideas which there is no room for stating directly, as if I were writing a poem instead of a criticism.

These several faults were more than usually evident in the final paragraph of the piece on Edmund Wilson. I had been saying that Wilson's attitude had passed through at least three stages—at first he was disillusioned with Russia, then he looked backward and saw new virtues in his own country, then finally he began to be more sharply impressed by the human and friendly qualities that had flowered under Soviet communism. All this was clear enough in my review. "But," I added in the final paragraph that I liked so little:

> But he had one other reaction to his travels, one that is important in his mental history, yet hard to define. . . . He had his first experience since the War of being with people from morning till midnight, of living collectively. He liked it in a curious fashion, yet he violently rebelled against it; and in self-defense, I should judge, he developed a cult of the genius and the hero. . . .

There is no use quoting the whole of the paragraph, which appears on page 106 of last week's New Republic. Nothing in it is false or exaggerated, and yet on reading it over I felt that it was so briefly stated, so lacking in supporting evidence that it raised more questions than it answered. I decided that it would have to be rewritten. And I am printing it below as it would have looked in the beginning if it had been given the time and space that it required:

"But Wilson had one other reaction to the Soviet Union. It is harder to explain, because partly it was an instinctive response to a new situation—almost a muscular reflex, as if he had touched a steam pipe and suddenly drawn back his hand. But the situation was permanent, and the response to it became fixed in his conscious thinking. . . . In Odessa, Wilson spent six weeks recovering from an attack of scarlet fever. The hospital where he was quarantined was not one of the new ones designed since the revolution: it was the old Odessa pesthouse, built in 1795 and practically never cleaned. It was understaffed, archaic, crowded with noisily convalescent children; the nurses were most of them incompetent, even though they were enormously friendly and obliging; only the few Communists were trying seriously to keep things in order. But the point of the episode was that Wilson was forced to be among other people, eat, talk, play, sleep among them day after day, with scarcely an hour to himself. For the first time since the War he had the experience of living collectively and, in a curious fashion, he liked it. He was for a short time very unhappy when he left the hospital and went to a hotel:

> Alone in the silence of the room, I suddenly dropped into a depression of a kind which I had never known all the time that I had been in the hospital. It was loneliness: I was missing the children and the nurses who had bothered me when I was trying to work and from whom I had looked forward to escaping. I walked back and forth across the room a few times, then began declaiming aloud some old poems of my own composition. I found that some need was relieved: my loneliness disappeared. It was the assertion of my own personality against those weeks of collective living.

"To me this episode seemed to explain a good deal that had gone before it. More than once Edmund Wilson in the Soviet Union had been asserting his own personality against the threat or the temptation of collective life—hence his discomfort in Moscow and his rather hostile attitude toward Russian writers, especially toward those who lived at peace with the new society. Back in Washington he had felt and expressed the same dislike for the New Dealers; his logical reasons for distrusting them were entirely different, but the emotional background was the same. He had sheared away from all sorts of political groups even when their ideas appeared to be similar to his own—first from the Progressives, then from the Communists, then later, I think, from the American Workers' Party; and I am not aware that he responded to the persistent overtures of the Trotskyites and the Lovestonites. Fundamentally he was an individualist of the old school, without even the need for blind and partial coöperation that is forced on most of us by capitalism. As he explained at the end of 'The American Jitters,' his own family of doctors and lawyers and professors had retained the traditions of a pre-capitalistic era. They were descended from country squires; and Wilson himself, in any large gathering, must have felt very much like a country squire forced to go into town for a lawsuit and rub elbows with greasy politicians.

"Always, retiring into himself, he would declaim 'some old poems of my own composition'—that is, he would remind himself of those defenses built by any sensitive man against the risk of having his personality invaded by the anonymous and colorless throng. But nobody in this age can live alone, can live without help; and Wilson has begun lately to invoke the great men of the age that is passing. He is developing a cult of the genius and the hero that is evident in more than one of his Russian notes—for example, in his tribute to Elinor Wylie and in what he says about Borodin, the man who organized a Chinese army and nearly won the East for Communism. 'I believe,' Wilson wrote after seeing him at a theatre, 'that his moral stature and the attitude that people adopt toward him make him seem bigger and taller than he is. This is what the early race were like.'

"The attitude that Wilson half reveals—the mixture of distrust for the masses and admiration for the 'early race' who tried to redeem them—is even clearer in a final passage, a magnificent tribute to Lenin in his tomb under the Kremlin wall:

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> And here we come to gaze down at this shell of flesh, in its last thinness, its delicacy and fragility, before it crumbles and loses the mold—this skin and bone still keeping the stamp of that intellect, that passion, that will, whose emergence has stunned the world almost more with embarrassment at being made to extend its conception of what man, as man alone, can accomplish, than admiration at the achievements of genius. And these countrymen of his are amazed, with their formless and expressionless faces, when they look down on him and know that he was one of them, and that he invoked from their loose and sluggish plasm all those triumphs to which life must rise and to which he thought himself the casual signpost.

"At first on reading a passage like this one feels an exhilaration compounded of pride and gratitude—pride that one of our human race could rise so high, and gratitude to the writer who was so moved by Lenin's greatness and expressed it in such fine prose. But why did Wilson have to emphasize his admiration for Lenin by asserting a contempt for Lenin's countrymen? Is there not a purely subjective emotion mingled with and falsifying his judgment of history? Why does he forget to say that Lenin, in addition to creating the new revolutionary Russia, was himself shaped and forged by an older revolutionary Russia? For it is the simple fact that Lenin's triumphant career was made possible by hundreds of broken careers, including that of his own brother, who was executed for trying to kill the Tsar. It is the simple fact that his mind was sharpened by disputes with other minds almost as keen; that his revolutionary determination was strengthened by his determined comrades; that he could depend on the help of thousands not too humble to die for the cause which he represented; that in short he was the arm and voice of an idea, the symbol to a nation of that new age in which everything would be different. Lenin is the archetype of the modern hero, the man whose individual character is affirmed and enforced by his very sacrifice of individuality to a common cause. And it seems now that Wilson has studied his books, has worshiped at his tomb, has even shared in his heritage, without understanding the sources of his strength or the dream for which he died." MALCOLM COWLEY.

Socialism Limited

City Government: The Record of the Milwaukee Experiment, by Daniel W. Hoan. New York: Harcourt, Brace and Company. 376 pages. $2.50.

DANIEL WEBSTER HOAN, Socialist mayor of Milwaukee for twenty years, has won a reputation as one of America's ablest municipal statesmen. Milwaukee, under his direction, has come to be rated by civic experts as the best governed city in America. Almost in the backyard of the racketeering center of the universe, it has been for twenty years relatively free from corruption. Now Dan Hoan has put his philosophy and the story of his twenty years' rule into a book that is characteristically wise, meaty and unsensational. He takes up, one by one, the problems that concern every large city, as well as Milwaukee: finance, safety, graft, public ownership, honest elections, education, unemployment relief and fire protection.

Hoan's story is the story of a practical municipal business man inspired and motivated by socialist idealism. His program can be paraphrased in a few sentences: Don't cut taxes, but give the people the maximum service for their money. The government is the logical agency to operate essential social services—meaning the public utilities. The sales tax is no good; federal taxes on incomes and stock transfers with rebates to the cities would be better, with a comprehensive scheme of income, inheritance and gift taxes. Private ownership has failed; public ownership succeeds when honestly administered. Permanent registration of voters is better and cheaper than annual registration. Centralized purchasing pays.

Hoan is most interesting when he tells of the distinctive policies that have placed Milwaukee somewhat to the left of other large American cities. When the local bankers refused to give full coöperation to the city in 1932, Hoan evolved a system of municipal baby bonds issued in denominations of $1 to $100, with which half of each city payroll was met, and these bonds were accepted by the city in full payment for taxes. With an issue of $12,000,000 of these baby bonds he temporarily broke the hold of the bankers over the city administration. His handling of picket lines in time of strike has also been distinctive. "Employers insist on using the police department as allies," he says, "in denying constitutional rights to workers, because they have long since learned that the power of government on their side creates a defeatist psychology among the strikers. Many strikes have been lost to the workers through this single factor."

Hoan's story, of course, is not the story of a socialist city. In fact, no city, standing alone, can be a socialist city in the middle of a capitalist economy: the law will not permit it and the capitalists themselves will not permit it. American cities have no sovereign powers of their own. They are creatures of the states, and if they attempt to pioneer in the field of collective enterprise, they can be stripped of almost every basic right by action of the state legislature. Hoan, as a Socialist, could not have made Milwaukee a socialist city without the control of the state government, and even if he had hurdled that barrier, a completely socialist municipal program would have encountered the due-process clause of the federal Constitution. Under these circumstances, the most that any socialist mayor can do, even if he has a socialist administration to support him, is to extend the area of local public ownership, adopt progressive policies concerning unemployment relief, and demonstrate to the public that a socialist government can be honest and efficient. Even the local tax program cannot be genuinely socialistic without the coöperation of the state.

In trying to make Milwaukee into a socialist city, Hoan has had the added handicap of a majority opposition among both the voters and the aldermen. He has never had a majority of Socialist aldermen and he has not even had the power to discharge the heads of city departments. In the election on April 8 the Socialist city attorney and the majority of the Socialist candidates went down in defeat while Hoan was reëlected. His proposal for municipal ownership of the electric-light plant was defeated by a vote of 107,888 to 80,296, while he himself won reëlection by a vote of 111,167 to 97,124. Apparently many Milwaukee voters who are not socialistic enough to favor the public ownership of an electric-light plant, voted for Hoan as an individual. The moral is obvious. The achievement of Dan Hoan in Milwaukee is the achievement of an able, honest and fearless progressive who has combined some of the best features of socialism and honest administrative efficiency into a personal synthesis of his own and won preëminence on that basis. "In Milwaukee," he says, "the Socialist Party is the repository of the ambition of our people for a modern and efficient government."

PAUL BLANSHARD.

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Furor Teutonicus

Hitler: A Biography, by Konrad Heiden. New York: Alfred A. Knopf. 400 pages. $3.

Hitler, by Rudolf Olden. New York: Covici, Friede. 394 pages. $3.

ADOLF HITLER is the despair of biographers. To delineate the life of any living political leader is difficult at best. But when the leader is a half-mad Caesar raised to power by the frenzy of fanatics and by the ineptitude of his enemies and aides; when he is at once a nonentity and a Messiah; when his behavior ranges from the commonplace to the terrible, from the ridiculous to the sublime, from the vulgar to the pathological; and when he enshrouds his private life in impenetrable mystery, heeds spectral voices from outer darkness and liquidates those who know too much, then the task of the biographer becomes almost impossible. "It is remarkable," Rudolf Olden writes, "how vague and uncertain is everything that has been said and printed about Adolf Hitler's private history. Beginning with his very name, nothing is certain—a great deal remains dark and much has been intentionally obscured." Even the future may not lift these veils. Dead men are silent.

Despite these difficulties, which make a definitive biography a task for historians of the next generation, Konrad Heiden and Rudolf Olden, working quite independently, have painted the most brilliant and plausible portraits of Der Führer that have yet appeared. The two books have more in common than their subject matter. The material in each has been painstakingly gathered and is presented in a well ordered and exceptionally readable style. Heiden has the greater flair for striking characterizations, but Olden is not far behind—and his translator, Walter Ettinghausen, has done his work well. Olden is somewhat more the scholar than Heiden. He has traced out the numerous inaccuracies in "Mein Kampf" and has reconstructed Hitler's family background and his early life. For the rest, both books are reasonably accurate and solid, despite their journalistic style. Every observer of the European scene will welcome these illuminating studies of the world's most irresponsible and dangerous despot.

Both authors are German exiles. Both were once liberal journalists. Both are anti-fascist to the core. Both descend to invective and bombast at the end in describing Bloody Saturday ("the murder of murderers by their accomplices," Heiden calls the massacre), but in general both maintain a tone of sympathetic impartiality and a flavor of "objectivity" as unusual as it is valuable in such works. Both writers find themselves at bottom baffled by something dark, strange and mysterious in this life. But each in his way, though he is neither a Marxist nor a Freudian, offers many data of interest to psychiatrists and economic determinists and thus contributes to the resolution of the mystery, which will ultimately be achieved through the techniques of psychopathology and historical materialism.

In these pages a frustrated and neurotic youth incorporates within his own personality the frustrations and neuroses of a whole nation in dissolution and thus becomes the symbol and leader of the lost. Says Heiden: "A foundered man and a foundered nation have formed an alliance." Here is the rabble-rouser who has discovered that "men often and masses almost always pay service not to their interests but to their illusions." Heiden dissects Hitler's ancestry and early life with less skill than Olden, but he excels in tracing the development of the party—"this world of racial eroticism and comradeship in murder"—and the evolution of the party leadership—"a simmering caldron of envy and ambition, all against all." The career emerges in colorful detail. Little has been omitted or slighted. If, in places, Heiden relies too much on rumor and gossip, the picture as a whole is unquestionably authentic.

Olden is more circumspect and eschews unfounded reports. Heiden has an improbable chapter on "Women" which implies that Hitler is (or once was) sexually normal and had several unhappy love affairs. Olden finds no evidence for this, but points out that Hitler's pornographic anti-Semitism probably had its origin in sexual frustration and inversion and is a "form of sexual envy." Olden's analysis of Hitler's character is clear and incisive. Der Führer, like the *Kleinbürgertum* from which he sprang and like the Germany which he leads to doom, is a case of terrific overcompensation for inferiority feelings. He is forever driven to call attention to himself, to evoke sympathy from a society that denies his importance. His fictitious "lung trouble" in his school days, his war "heroism," his "blindness" in 1918, his whole life history, testify to the validity of this interpretation. Intolerance, recklessness, brutality are the refuge of those who are unstable and insecure:

> Weak souls readily let themselves be carried away by violence. Violence smells sweet to cowards. An evil spirit had whispered this truth into the demagogue's heart. He is himself not of a very stout heart, an unmanly character except for the indomitable ambition that again and again prevents him from succumbing. His deep inner kinship with his victims has given him the power to master and overpower them.

In the last analysis, Hitler eludes both biographers, as he eludes all the world. "The secret of Hitler," Olden writes, all too simply, "is solved as soon as we realize that this man lives only in externals, in marches and parades, in flags and banners, in the adulation of the world, in the enthusiastic love of his friends, in the din of battle, in the passionate cries of women, and above all in endless, torrential speech. . . . Like Proteus, he changes the very garment of his being, yet always remains himself. . . . In what does he believe? Hesitatingly, and alternating between doubt and despondency—he believes in himself." Heiden contends: "It is a case of two personalities, neither of which can be held responsible for the other. In plain terms, this signifies that Herr Hitler is not accountable for his actions. But Hitler is not a man with whom a reasonable being concludes an agreement: he is a phenomenon which one slays or is slain by."

This fact was overlooked by the tired forces of German democracy. This fact is being overlooked by Europe—weary, listless and inhibited by paralyzing anxieties. Before Il Duce and Der Führer, bankrupt statesmanship trembles with fear and fatigue. The subtitle of the Zurich edition of Heiden's book, which Winifred Ray would have done well to retain in her otherwise admirable translation, describes our age: *Das Zeitalter der Verantwortungslosigkeit*—the epoch of irresponsibility. The irresponsibility of Hitler's foes raised him to power. His own irresponsibility makes him the leader of a sick society stumbling toward collective murder and suicide. The irresponsibility of the non-fascist bourgeois world leads to acquiescence in aggression and acceptance of annihilation. The headless horseman of the Apocalypse is destined to become the executioner of European culture. Whoever reads between the lines of these two volumes will learn much of the anatomy of this disaster.

FREDERICK L. SCHUMAN.

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Impure Food and Drug Laws

American Chamber of Horrors: The Truth About Food and Drugs, by Ruth deForrest Lamb. New York: Farrar and Rinehart. 432 pages. $2.50.

IN AN obvious effort to break through the blockade of silence imposed by the press, the radio and other channels of publicity, Miss Lamb, chief educational officer of the United States Department of Agriculture, has written a courageous brief for the enactment of a strong pure food and drug bill. Miss Lamb names names, including those in high places, she prints pictures and she does not pull her punches. She admits that the present pure food and drug law is a "joke" and that her department can make only impotent gestures towards the protection of the consumer's health and purse. With a 1936 appropriation of about one cent for each person in the country, a staff of seventy-eight inspectors for the forty-eight states and a law which has failed to keep pace with the billion-dollar food and drug industries, what more can be expected?

The word "horrors" in the title of Miss Lamb's book is no exaggeration. Lash-lure, an aniline eyelash dye, Koremlu, a depilatory containing rat poison, B and M, a horse liniment sold for tuberculosis, Banbar, a diabetes "cure," and patent medicines containing cinchophen and dinitrophenol literally have killed and maimed hundreds of persons. Many of these products, however, are no longer being sold or enjoy so limited a sale that the drug and cosmetic industries may seek to pooh-pooh her charges. The more important pastes and pills, advertised in our respectable newspapers and magazines, escape with relatively little censure. Yet acetanalid headache remedies, amidopyrine pain-killers, phenolpthalein laxatives and aniline hair dyes, are a far greater health-menace because of the vast amounts consumed yearly.

It is possible to avoid paying toll to the pain-and-beauty boys by existing without "alkalizers" or "skin foods," but how many housewives can avoid being duped by the fraud-infested food industry? The purchase of canned foods today is a game of chance played with loaded dice. Gaudy labels on canned foods are as descriptive of the contents as the posters outside a circus side-show. As Miss Lamb points out, only a federal law requiring simple, intelligible quality grades will be able to steer a housewife through the present maze of misleading adjectives.

Miss Lamb entitles her concluding chapter, "There's Going to Be a Law!" presumably a law that will end the abuses of which she wails. What kind of law will perform this miracle? The teeth of Senator Copeland's feeble measure have been pulled expertly. Miss Lamb herself points out that no federal law can be adequate unless it provides for standards of quality, licensing of drug manufacturers, prohibition of advertising of drugs for serious ailments and, most important of all, a yearly appropriation of $5,000,000, all of which are missing from the Copeland bill. She might have added that no law will be effective unless in addition it provides for registration of all proprietary products and the earmarking of adequate funds for research and publicity. Measured by these standards the Copeland bill is not the answer.

I submit that consumer groups, at the present time, should concentrate on demanding a senatorial investigation of the food, drug and cosmetic industries as an indispensable prerequisite to the enactment of a law written for consumers and not for the industries regulated.

WILL MASLOW.

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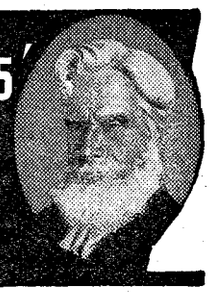

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Mr. Bishop and Some Younger Poets

Minute Particulars, by John Peale Bishop. New York: The Alcestis Press. 71 pages. Limited edition, autographed, $7.50.

MR. BISHOP'S new collection is retrospective—chiefly poems of the last three years, others written as early as 1922, 1923, 1924. The latest are transitional, and it is these poems ("No More the Senator," "O! Let Not Virtue Seek," "An Interlude," certain short satirical pieces) that make this a book of more than momentary interest and Mr. Bishop far the most interesting of the Southern poets. Their source is the contemporary and ominous state of affairs. They are critical, forceful, bitter. Although their matter is often political, their detachment from dogma and party is complete. Their approach is indirect, through the avenues of a historical concept, not the opportunist's approach blindly, by way of circumstance and expedience. Their weakness is their strength: what they lose in failing to achieve an organic unity in terms inalienably of our time—that is, in symbols, vocabulary, tone, pattern—they gain in nobility and spaciousness through translation of our times into terms of nobler periods.

The tone of these poems is "classical" but not pedantic: they speak in the accent of Rome, Greece, because their impulse is entirely compatible with the impulse of Roman, Greek literature; and they are in no way a scholar's exercise. The influence of Mr. Bishop's contemporaries, it is true, still is discernible (Eliot, Cummings, Pound, Crane also), but it is diminishing. The style of the late poems is more flexible and, by the very number of the influences now contributing to it, more personal. It is still not fastidious: the language often is not pure, the rhythms often are prosaic, but these are transitional pieces. Certain shorter ones ("Southern Pines," "Return to Connecticut") are more concise, more nearly perfect, and less important. Yet few contemporary satirists have achieved with rhetoric and bunting what Mr. Bishop has achieved in the acid brevity of "Southern Pines."

Mr. Bishop's importance is that he belongs among the significant American poets of our time rather than that he is, in himself, a great poet. He is among those who are giving shape to future American poetry. Detached, imperfectly detached; eclectic, aristocratic, myopic, scholarly, tentative, believing and incredulous, Mr. Bishop confronts the task of great poetry: to achieve an integration of impersonal values—and this in a society without values.

RAYMOND E. F. LARSSON.

Poems, by Robert Fitzgerald. New York: Arrow Editions. 62 pages. $2.

A FOLLOWER of Eliot and Pound, Mr. Fitzgerald is at present notable chiefly for the intelligent use he has made of his models and for his scrupulous craftsmanship. There is here little of the uncertainty or crudity of statement common to first books of verse—even when most derivative, these poems evince a skillful manipulation of cadence and phrasing that must command our respect.

In absorbing the stylistic virtues of his masters, however, this poet seems to have been obliged also to accept their philosophic and emotional attitudes. Loneliness, nostalgia, despair and bitter resignation are ghosts Mr. Fitzgerald seems unable to rout from his pages:

> There is nothing now but applause of leaves
> For the moth's splendor, for the singing
> Lute, for crimes ignoble on the stair,
> And for our prayers, dubious and tender.

What is interesting about this sentiment as we meet it in these poems is that it indicates so clearly where such an outlook must lead a writer today. Whereas a decade or two ago it was not incompatible with a concern for the contemporary social scene, as witness some of Eliot's and Pound's earlier work, today it is an attitude that results in an increasing isolation and defeat. Ultimately it forces the writer to inhabit a dehumanized world—a fact well borne out by the present volume. T. C. WILSON.

Before the Brave, by Kenneth Patchen. New York: Random House. 131 pages. $2.

VARIOUS poems by Kenneth Patchen published in periodicals during the past two years have circulated the suspicion that he is among the clearest-visioned of young American poets. Definite corroboration is offered by a collection of his work to date, "Before the Brave," which immediately strikes the reader as unusual for two reasons. It is much fatter than most first books of verse, yet contains fewer pieces that deserve deletion. And it

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testifies to a first-hand knowledge of factory, farm and road work that allows Patchen, at twenty-five, to be a spokesman for his under-privileged generation. When he says:

Be sure we know
We miss a lot in rented room and rented life . . .

we hear thousands of voices, not Patchen's alone. Provided with evidence that the social structure needs remodeling, he lays down his draft and pleads for our approval and support.

Such poetry, obviously, needs considerable natural energy. Patchen has it to give. While keeping a moderately critical eye on what he is saying, he experiments with vigorous meters and phrasing. He is most successful in a flexible blank verse, occasionally rhymed, which accommodates either the shifting cadence of everyday speech or the rhythm of platform prophecy. The many phrase-growths, planted on the page by his prodigal imagination, seem at times rootless and insecure, but are just as often suggestive of the verbal felicity of MacLeish and Gregory.

Patchen's main fault now is the lack of control so often accompanying fluency in young poets. The meaningless tends to sneak in beside the cogent, to make his oracular chant difficult to analyze and assess, however resonantly it may come to our ears. But self-editing and concentration are surely not beyond the grasp of a poet who has already learned so much. KERKER QUINN.

To My Contemporaries, by Edwin Rolfe. New York: The Dynamo Press. 64 pages. $1.

THOUGH more significant for the potentialities it reveals than for its actual attainments, this first book of verse is an authentic contribution to the growing body of revolutionary poetry in America. Among the young left-wing poets, with whom he shares a clear-sighted awareness of his own time, moral seriousness and a definite point of view as regards the direction of contemporary history, Edwin Rolfe has effected the most complete severance from the bourgeois tradition. His verse is thus less transitional than theirs, closer to the struggle it reflects and, from a Marxian position, more decisive and mature. In addition, he exhibits an unusual capacity for taking propagandist phrases and slogans and making poetry out of them. It is this aspect of Rolfe, I think—this direct, almost literal approach to his material—that has produced and should continue to produce his most effective and original lines.

At present his work suffers from insufficient knowledge of the demands of his medium and a tendency to oversimplify a character, situation or emotion—faults which become especially noticeable in the longer, more ambitious efforts such as "Homage to Karl Marx" and "Poem for May First," where the beliefs and sentiments are merely asserted rather than created out of a body of concrete experience. The result is not reality but an abstraction—this kind of vague apostrophe to the future:

Look on the world, my comrades! It's aflame!
fire-tongues in the sky, new sword-blades at its core,
cutting the dry dead harvest that it bore
a generation gone, in all the lands of earth.

At his best, fortunately, Rolfe avoids these faults. "Definition," the most sustained and moving piece in the book, is also one of the most impressive didactic poems to come out of the revolutionary movement. This and certain other poems like "Georgia Nightmare" and "Unit Meeting" are evidence of a new and vigorous talent in contemporary letters. T. C. WILSON.

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The Gintellectuals

Journal of a Young Man, by Martin Delaney. New York: The Vanguard Press. $2.50.

Wish-thinkingly, the publishers describe this book as "a poignant study of the struggle between Communism and Catholicism for a young man's soul." Actually, you hardly hear a peep out of either ism. It is true that they occasionally come to life in parlor and bedroom discussions, but in general they fight pretty languidly for the young man's soul; the purse isn't big enough to justify a knockdown and drag-out battle. The real match is between the hero and his libido, with the latter winning the decision on points. Daniel Kerry, the young man, has a fervently Catholic father. When he finally manages to break away from him and his family, he comes to live in Greenwich Village, where he becomes a Communist and spends a great deal of time talking about it, while living partly on relief and partly on the bounty of a friend with a job. His chief obsession, however, is Woman; as soon as he falls in love with Barbara, the class struggle climbs out of the window and wilts on the fire-escape.

"Journal of a Young Man" gives an accurate picture of the tenement, garret and subcellar life of Greenwich Village in 1935, as lived by eager kids and windy failures—the beds that are never made, the unhousebroken dogs, the long drinks, long arguments and short rations. The author (who writes under a pseudonym) is desperately candid and has a natural feeling for dramatic situations. But he also stumbles into more clichés than there are garbage cans on Bleecker Street, and he has a frequently pompous manner that makes it difficult for the reader to accept the slant he has on his material. Too literally true is the "young man" part of the title.

JERRE MANGIONE.

Contributors

NATHAN ASCH is the author of "The Valley," "Pay Day" and other novels. Last year he traveled all over the country by bus, keeping a diary of his trip.

ALFRED HAYES, who was a contributor to the recent anthology, "Trial Balances," has had poems printed in many magazines and is now hunting a publisher for his first volume of poems.

MORTON TAYLOR for the past ten years has been a reporter on various Middle Western newspapers, and is now doing free-lance writing on political topics.

JAMES BENÉT is a recent graduate of Stanford University who is now doing journalistic work in New York City. He is the son of William Rose Benét.

JOHN HERLING, Washington correspondent of The Milwaukee Leader, is director of the Socialist News Bureau.

PAUL BLANSHARD, formerly executive director of the City Affairs Committee, is now Commissioner of Accounts for New York City.

FREDERICK L. SCHUMAN is assistant professor of Political Science at the University of Chicago. He is the author of "International Politics" and "The Nazi Dictatorship," a second edition of which was recently published by Knopf.

WILL MASLOW is a New York City attorney who has made a special study of consumer protection.

RAYMOND E. F. LARSSON, whose poems have appeared in The New Republic and other magazines, was born in Green Bay, Wisconsin, and now lives in Berkeley, California. He is the author of "O City, Cities!" "Wherefore: Peace" and "A Sheaf."

T. C. WILSON has published verse in Poetry, The Criterion and other magazines. He edited, with Ezra Pound, a special edition of Westminster Magazine devoted to young American and English poets.

KERKER QUINN is a poet who lives in Urbana, Illinois. He was one of the editors of Direction.

JERRE MANGIONE is working on a book that will deal with masters of satire. He is a member of the editorial staff of Robert M. McBride.

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The Balance Sheet of the New Deal

Foreword

IN THIS Balance Sheet of the New Deal we have striven to enter in brief space every item of importance, and to arrange the various items in some order. Does the list add up into a deficit or a gain? The sum is not mathematical, and various arithmeticians will arrive at various results. Our own accounting is summarized in the Conclusion at the end.

Too many have either praised or condemned the New Deal in general and absolute terms, without taking the pains to examine its separate parts and to see how well or ill they fit together. The only fair method of judgment is to consult the record. This can be done, not without bias, but yet with candor. Our own bias will emerge from a reading of the following pages. It does not assume that every deviation from the Democratic platform of 1932 is a betrayal of the voters. Nor does it assume that the Constitution of the United States is a perfect instrument, perfectly interpreted by the Supreme Court. It does assume that the majority of the people of this country want, and can have, an economy of abundance; that it is legitimate to seek a high standard of living and a wide distribution of the possible benefits of industrial civilization. Did the New Deal constitute an approach to this goal? Did it help to bring us out of the depression? Did it inaugurate significant permanent changes?

I. Recovery Activities

1. Banking Crisis

Former President Hoover and others have tried to establish the thesis that the banking crisis of late February and early March, 1933, was primarily caused by the refusal of Mr. Roosevelt, before his inauguration on March 4, to coöperate with the outgoing administration, and by fear of the fiscal policies of the new regime. Careful research gives no support to this view. The financial crisis under which every bank in the country had closed its doors by the time Mr. Roosevelt was inaugurated was the result of several factors: the effects of the depression, bad banking practices extending over many years, and the absence of a sound national banking policy, reflected in law. More than 4,600 banks had failed during the preceding three years.

The restoration of public confidence in a short time was one of the outstanding achievements of Mr. Roosevelt's entire administration. It resulted primarily from his personal attitude of confidence and courage and second, from the fact that only those institutions which were in shape to do so were permitted to reopen. Under a new law which went into effect on June 16, the deposits of all licensed banks that are members of the Federal Reserve System are insured to the extent of $2,500 for each depositor (one year later increased to $5,000). During the Roosevelt administration the Reconstruction Finance Corporation has made loans to banks of about $3,500,000,000, a large part of which has been repaid. Among banks permitted to reopen after the banking holiday of March, 1933, there have been no important failures.

2. Price and Wage Policy

Gold and Devaluation.—When the banks were reopened after the holiday, March 20, 1933, they were forbidden to pay out gold, and all gold in the hands of individuals was called in. At first this was thought merely a protection of the gold reserve against hoarding and shipments abroad, but it soon became the basis of a calculated purpose to depreciate the dollar in the hope of raising prices. Support of the dollar in foreign exchange was abandoned April 20, and from October, 1933, a definite policy of depreciation was executed. All gold was deposited in the Treasury, and in January, 1934, the dollar was provisionally stabilized at 59.06 cents' worth of gold.

Those who expected an immediate and sharp recovery in prices were disappointed. At the time of the departure from gold, the index of wholesale prices was 60; when the dollar was devalued it had risen to 72; since then it has risen to 81, at which figure the rise has stopped. Prices should rise by about 67 percent to match the devaluation; they have risen about 33 percent. Numerous other factors may account for this rise, such as the A.A.A., the drought and the N.R.A. In view, however, of the depreciation of the English pound and deflationary policies in the European gold bloc, devaluation of the dollar may have been necessary as protection for a policy of price "reflation" to be brought about by other means—assuming such a policy to be desirable.

Some advocated devaluation as a stimulus for exports, but while our foreign trade as a whole has

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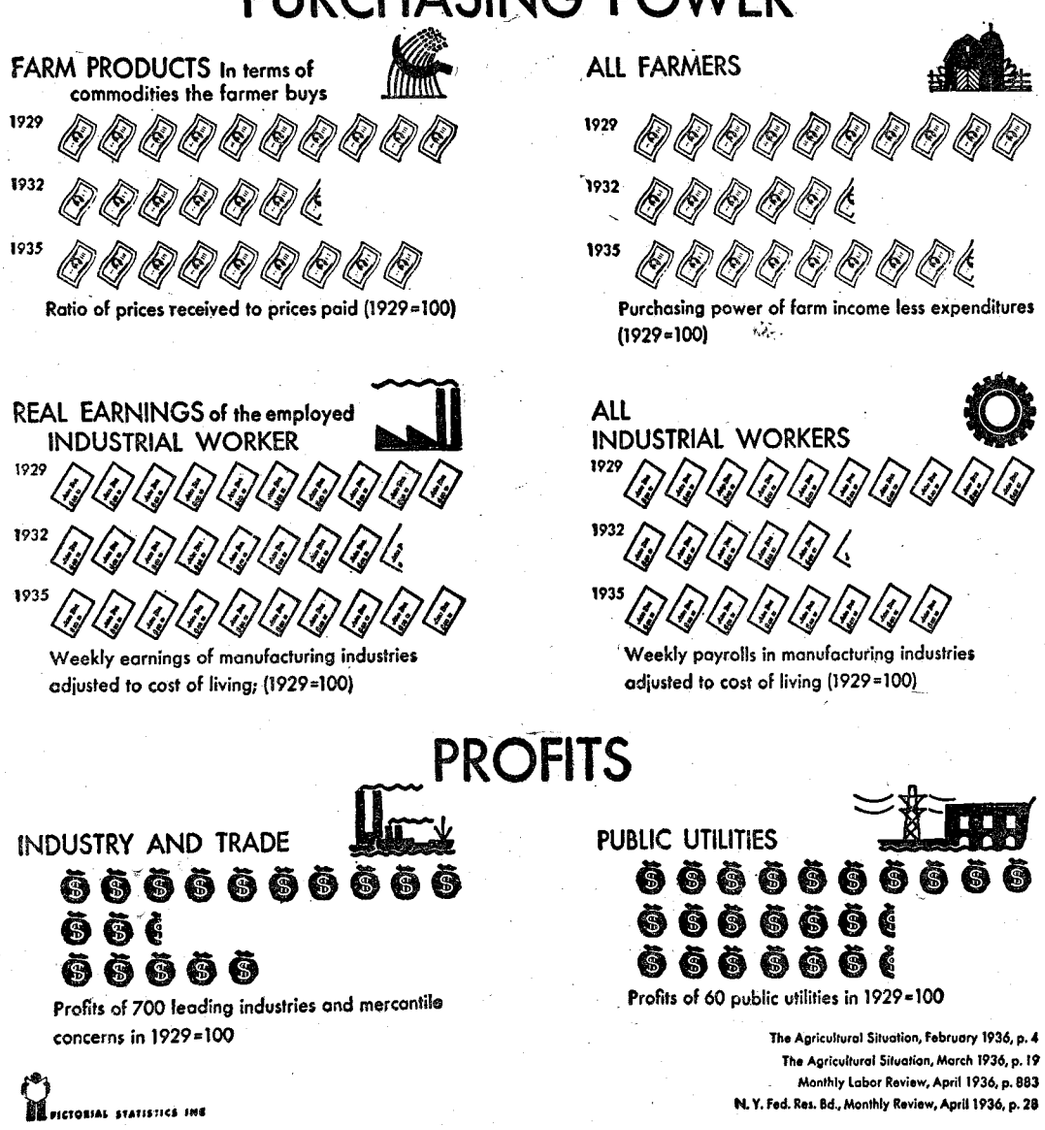
been gradually recovering, our excess of exports over imports, after a jump in 1934, relapsed below the 1932 level during 1935. The most dangerous aspect of the policy for the future is that it has stimulated an influx of gold which may act as the basis for inflation after business recovery has made credit expansion undesirable. (This influx is caused by the fact that dollars have to be sold abroad and gold bought, in order to keep the exchange value down.) Our gold stock was about $4,000,000,000 at the time of the crisis, was $8,000,000,000 when the dollar was stabilized, and is now about $10,000,000,000.

The A.A.A.—The plight of the farmer was one of the most pressing problems with which the Roosevelt administration had to deal. Gross farm income, which had been $13,500,000,000 in 1920, had sunk by 1932 to $5,300,000,000. The basic policy of the Agricultural Adjustment Administration has been to increase prices by limiting production in several basic crops (cotton, corn, hogs, rice, sugar beets and sugar cane, wheat and tobacco). The farmer signed an agreement to reduce his production by a fixed percentage, in return for which he was paid a bounty on a unit basis. These bounties in turn came out of processing taxes levied against the distributors of the specified products and in most cases passed on by them to consumers in the form of higher prices.

In 1935, the total farm income rose to more than $8,000,000,000. For this, however, the A.A.A. was only partly responsible. For several years the Mississippi Valley has experienced a series of disastrous droughts, of which the worst was that of 1934. This greatly reduced the agricultural output not only of the commodities included under the A.A.A. scheme, but others such as sheep, cattle and dairy products. The government spent $156,000,000 for the purchase of farm commodities, some of which were given to distressed farmers and others distributed to the unemployed through the F.E.R.A. In addition, $75,000,000 was spent for the purchase of surplus hogs, dairy products, wheat, peanuts and sugar, and about $540,000,000 was loaned by the Commodity Credit Corporation on cotton and corn.


AGRICULTURE AND INDUSTRY
PURCHASING POWER
FARM PRODUCTS In terms of commodities the farmer buys
1929
1932
1935
Ratio of prices received to prices paid (1929=100)
ALL FARMERS
1929
1932
1935
Purchasing power of farm income less expenditures (1929=100)
REAL EARNINGS of the employed INDUSTRIAL WORKER
1929
1932
1935
Weekly earnings of manufacturing industries adjusted to cost of living; (1929=100)
ALL INDUSTRIAL WORKERS
1929
1932
1935
Weekly payrolls in manufacturing industries adjusted to cost of living (1929=100)
PROFITS
INDUSTRY AND TRADE
Profits of 700 leading industries and mercantile concerns in 1929=100
PUBLIC UTILITIES
Profits of 60 public utilities in 1929=100
The Agricultural Situation, February 1936, p. 4
The Agricultural Situation, March 1936, p. 19
Monthly Labor Review, April 1936, p. 883
N. Y. Fed. Res. Bd., Monthly Review, April 1936, p. 28
PICTORIAL STATISTICS INC

While the Roosevelt administration has been subjected to sharp criticism for destroying food and limiting production in a country where there is still underproduction, in terms of human needs, of every product with the possible exception of wheat, such criticism can come logically only from those who embrace a collectivist philosophy. Under a capitalist economy the only way to raise prices to or above the cost of production is to maintain an artificial scarcity. Most agricultural economists agree that of the various plans suggested for

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the creation of an artificial scarcity, that of the A.A.A. is the most practicable.

The N.R.A.—As a recovery measure, the main purpose of the N.R.A. was conceived to be to increase the purchasing power of labor by higher wages and shorter hours. This, it was thought, would increase purchases of goods and so lead to greater production and employment. By its business sponsors, the N.R.A. was also valued as a measure to control "cutthroat competition," so that prices might be raised and profits restored on existing volume of business. There lurked an inconsistency between these purposes, since the purchasing power of labor could not grow if, with every increase of wages, prices were also increased; and production and employment could not be enlarged if output were restricted in the interest of profit. There was also an inconsistency between the tendency of the N.R.A. to raise prices of industrial products and the effort of the A.A.A to narrow the spread between prices of crops and industrial prices.

The codes formulated under the N.R.A. were largely framed and administered by associations of employers. Labor had real power only where it was strongly organized. Persons delegated with the responsibility of protecting consumers carried little weight.

Production, employment, wages and prices all had jumped between the early months of 1933 and the June-July period, just before N.R.A. codes began to go into effect. Because this jump was in large part a speculative movement, anticipatory of higher prices and costs, some reaction from it was to be expected.

Between June-July, 1933, and January-February, 1935—a period that includes the operation of most of the codes—the number of wage-earners employed increased 16 percent and earnings per wage-earner increased 16 percent, thus making total wage disbursements 35 percent larger. (Real earnings per worker employed increased only about 3 percent, since the cost of living rose.) The physical volume of industrial production, however, decreased 5 percent. Employment measured in man-hours likewise declined by 4 percent. Though more persons were employed, their hours of work were shorter by 17 percent. The growth in employment was thus brought about solely by the cut in hours, not by any expansion of industrial production.

Selling prices of industrial goods increased in this period 17 percent (on top of a 9-percent increase between January and June). Labor cost per unit of output increased 42 percent. During the January-June period it had dropped 19 percent; thus the net increase, January, 1933, to January, 1935, was only 15 percent, as compared with a rise in selling prices for the same period of 24 percent.

It is obvious that while the N.R.A. did bring about more employment, shorter hours and higher pay, it did not operate to increase production. It may, however, be argued that production would have fallen more without it. Profits likewise grew.

Conservatives assert that the failure of the N.R.A. to increase production and bring a more nearly adequate growth of employment was due to the rise in labor costs. Labor argues that the failure arose from the increase of selling prices and the restrictions of production embodied, directly or indirectly, in the codes.

No conclusive proof of either position exists, since the N.R.A. was sadly lacking in accounting data, which would have shown profits and profit margins. Profits might have been possible without increasing prices, if output had been enlarged. The N.R.A.'s failure to accumulate and intelligently interpret such data was not the least of its faults.

Coal and Oil.—The attempt of the administration to exercise control over the coal and oil industries has been largely frustrated by the Supreme Court. A Petroleum Administration was established in the Interior Department, and an N.R.A. code was framed for coal. Both exercised wide powers to allocate production, fix prices and prescribe marketing and labor conditions. Both likewire contained authorization, which was not used, for the planned conservation of coal and oil resources. The regulation had beneficial effects, especially for coal miners, who obtained better wages and more work than they had had in years. As a permanent policy, the cartel price-fixing would have been unsatisfactory. However, in the "hot" oil decision, the government's power over oil was drastically reduced, and, by the Schechter decision, both the coal and oil codes were abolished. The vestigial remains of the former Petroleum Administration Board now exist as a small division in the Interior Department; its chief duties are to aid the state regulation boards of the Mid-Continent field. Under the leadership of Mr. John L. Lewis, the coal miners refused to accept the wiping out of their gains by the Supreme Court. At their insistence, a bill was put forward by Senator Guffey, virtually recreating the old N.R.A. coal code. Mr. Roosevelt urged its enactment, despite "any doubt, however reasonable," of its constitutionality. Under the Guffey act, a National Bituminous Coal Board was established. In its short career, it received acceptance to its coal code from producers representing 70 percent of the 1934 production, and approved and made effective minimum prices in Colorado, New Mexico and Oklahoma. The N.B.C.B.'s legality was promptly challenged by a small group of coal operators, and a few days ago the Supreme Court decided in their favor.

Relief Wages.—From the beginning of the Roosevelt administration tremendous opposition has developed to the policy in making relief payments. For those receiving simple outdoor relief the amount and form the payment should take have in general been fixed by the local authorities. In some cases the sums have been extremely low, particu-

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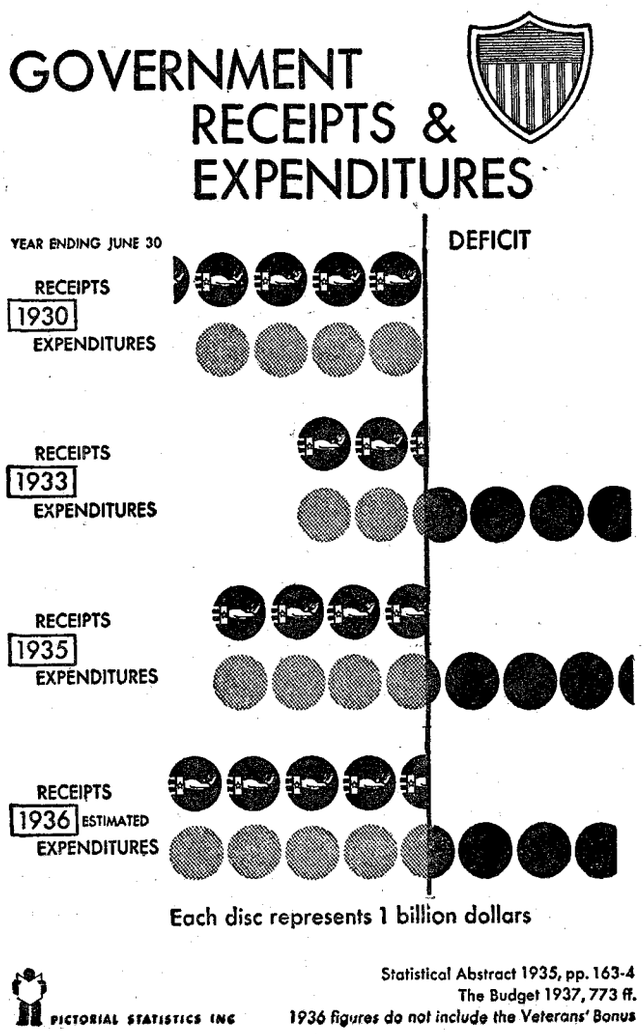
larly in the South. Nowhere have they been above an average of about $45 per month per family.

During the brief period of the C.W.A., the standard payment was from $12 to $15 a week for ordinary labor, though in many cases persons with special skills were paid more, up to almost $40 a week. Under the present W.P.A., the average payment is in the neighborhood of $50 a month, with special cases rising to $90 a month.

Under the P.W.A., the effort has been made to pay the standard hourly wages of the vicinity in which the work is being done, but to reduce the number of hours worked so that the total weekly income would still be low. On all government enterprises the attempt has been made to keep the total income of a family receiving any type of relief from equaling the going rate of wages for ordinary labor in the same vicinity. In many parts of the country, however, the going rate was found to be so low that a relief scale substantially lower still would have meant virtual starvation. It has also been found that employers have a tendency to reduce wages until they are only a few points above the relief payments. In many parts of the country local relief administrators, coöperating with employers, have suspended relief from time to time in order to force the unemployed to accept work at practically any wage offered. This has been particularly true in agrarian regions during the harvest period.



3. Emergency Spending and Budget

Credit Agencies.—The Reconstruction Finance Corporation was created in February, 1932, by the Hoover administration, to salvage distressed banks, railroads and insurance companies. Its funds were derived partly from a direct appropriation, but mainly from government borrowing. By December, 1932, it had loaned $600,000,000 to banks alone, some of which subsequently failed.

The Roosevelt administration enlarged the function of the R.F.C. by permitting it also to buy investments and to loan to industries, states and government agencies. It was made the main channel for a huge extension of government expenditure based on credit. By September 30, 1935, it had loaned $5,664,383,308 to banks and other private institutions, had extended $1,299,984,235 for relief, and had disbursed $734,586,548 to other government agencies. Loans to banks have been in large part repaid; only a small percentage of loans to railroads has been repaid; repayment of loans to government awaits government action.

The crisis naturally brought many mortgages on houses into default and interfered with renewal of mortgages or the granting of new ones. Government relief entered this field with numerous devices to bail out, strengthen and extend the banks and other lending agencies, and with the Home Owners' Loan Corporation to make direct mortgage loans to home owners who could not get private credit. This has made about 1,000,000 loans in all, totaling over $3,000,000,000. Loans bear 5-percent interest, plus amortization charges to extinguish them in fifteen years. In spite of this heavy burden of capital charges, about 80 percent have been met without more than three months' delay.

To meet the farmers' credit needs, the Farm Credit Administration was formed, coördinating twelve subordinate agencies, some of them already in existence. Its principal functions have been to make loans on distressed mortgages, to finance coöperatives, to extend short-term credit and to make emergency loans for drought relief and similar purposes. It made about $2,000,000,000 of mortgage loans, over $1,000,000,000 of short-term loans, and over $280,000,000 of loans to coöperatives. About 500,000 mortgage loans were made, at charges about one-fourth less than those formerly paid. Foreclosures on farm real estate fell from 38.8 per thousand farms in 1933 to 21 in 1935.

The Hoover policy of extending relief to large aggregates of capital while doing nothing for home and farm owners and while otherwise following a deflationary policy was indefensible. The Roosevelt policy of validating a larger proportion of distressed debts all along the line (at somewhat reduced interest burdens) is defensible if other measures bring recovery. If more drastic deflation ultimately becomes inevitable, it leaves the government holding the bag, and the government borrowings will either be repudiated or will fall on taxpayers.

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Public Works.—In theory, Mr. Roosevelt early in his administration accepted the Keynes doctrine that public works should be undertaken on a lavish scale during depression in order to provide employment and distribute purchasing power at times when private enterprise is unable or reluctant to do so. In all, about $8,000,000,000 has been appropriated for these purposes. It is generally agreed among impartial observers that these expenditures have in fact played an important part in bringing about the partial restoration of prosperity that has taken place, and some students of the subject believe that the present improvement is entirely caused by government spending. The material wealth of the country has been augmented by these projects, including particularly public buildings, roads, sewers, parks, playgrounds, airports, dams, reservoirs and afforestation. Most of these projects have been initiated primarily by local authorities, which have borne part of the expense, and many would have been put through even without federal aid.

Legitimate criticism of the government's public-works policy may be made on the following grounds:

There was inexcusable delay in getting many of them started, due to excessive red tape and a bottle neck in Washington, where Secretary Ickes, in particular, who has never given any evidence of showing that he understood or endorsed the Keynes theory, sacrificed speed in the effort to make sure the government got value received for its money. As a result, the effectiveness of the expenditures as a device to restore prosperity was greatly diminished.

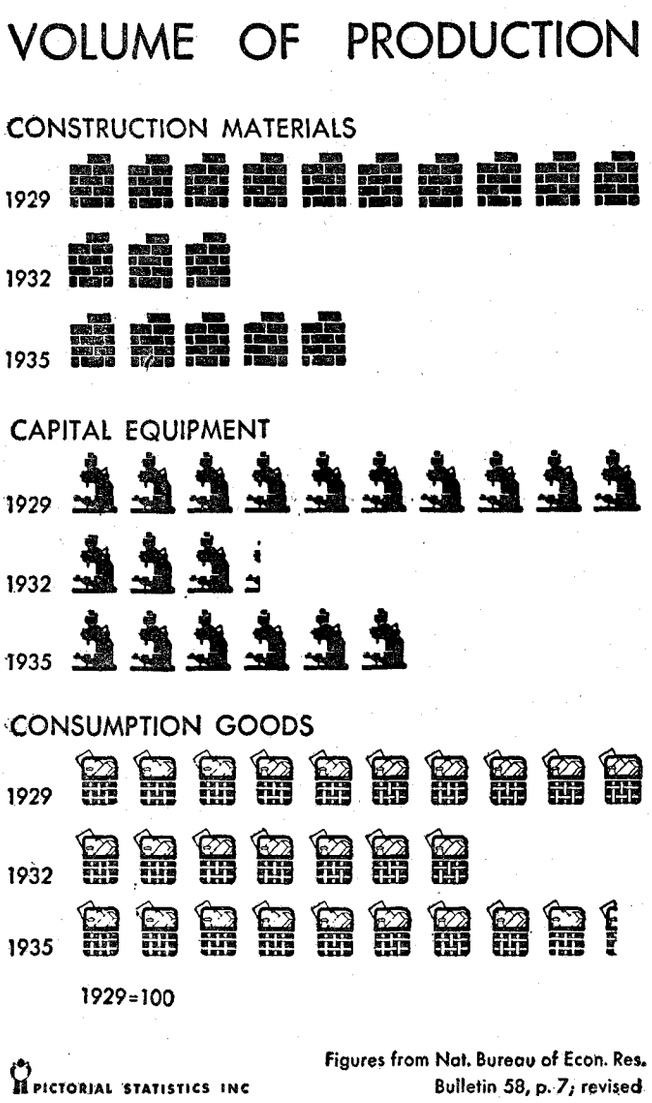
In terms of results per dollar expended, it is generally admitted that the cost of government projects has been abnormally high, due primarily to lack of adequate preliminary planning, lack of experienced directing personnel and the failure to establish esprit de corps in the mass of the workers.

Some parts of the program have suffered from politics, patronage and graft. These results have usually followed when Democratic party politicians have been allowed to interfere despite the protests of Messrs. Ickes and Hopkins.

Conspicuously lacking has been a program for public housing, despite the fact that it is desperately needed, constitutes an admirable type of public works, and is not incompatible with the preservation of private capitalism, as is evidenced by Great Britain, where 1,250,000 houses have been built with state aid since the War. While the American government has poured out vast sums to aid the construction or repair of housing, nearly all this money has gone to the middle class and practically none of it to the lower-income groups, where the need is acute. Whenever proposals have been made for expenditures on a large scale, private real-estate interests have succeeded in exerting political pressure and preventing any effective accomplishment.

Relief.—When the Roosevelt administration began, one of its first problems was to provide funds to feed the unemployed. To the last Mr. Hoover had maintained the theory that relief was a local problem, to be met by the states and cities, although in the last year of his term, large sums, in the form of federal loans, had been advanced to local units for this purpose. Diminution of tax revenue and the increased burden caused by the depression had brought many states and municipalities to the brink of bankruptcy. The Federal Emergency Relief Administration was created to make sure that "no one should starve." It set up a nationwide organization with a large degree of local autonomy, primarily for the administration of "outdoor" home relief. In many areas standards were low and administration bad, but the superiority over the Hoover policy was enormous and the quality of the work improved as time went on. This organization was largely destroyed in the autumn of 1935.

The Civil Works Administration, covering the winter of 1933-34, was in many ways the best attempt at work relief the administration has yet made. Within a short time jobs were found for some 4,000,000 people, on the general policy of fitting the work to the man and not vice versa. The C.W.A. was scrapped almost overnight in the spring of 1934, largely because of one of Mr. Roosevelt's famous series of "bargains with business" that he would economize.



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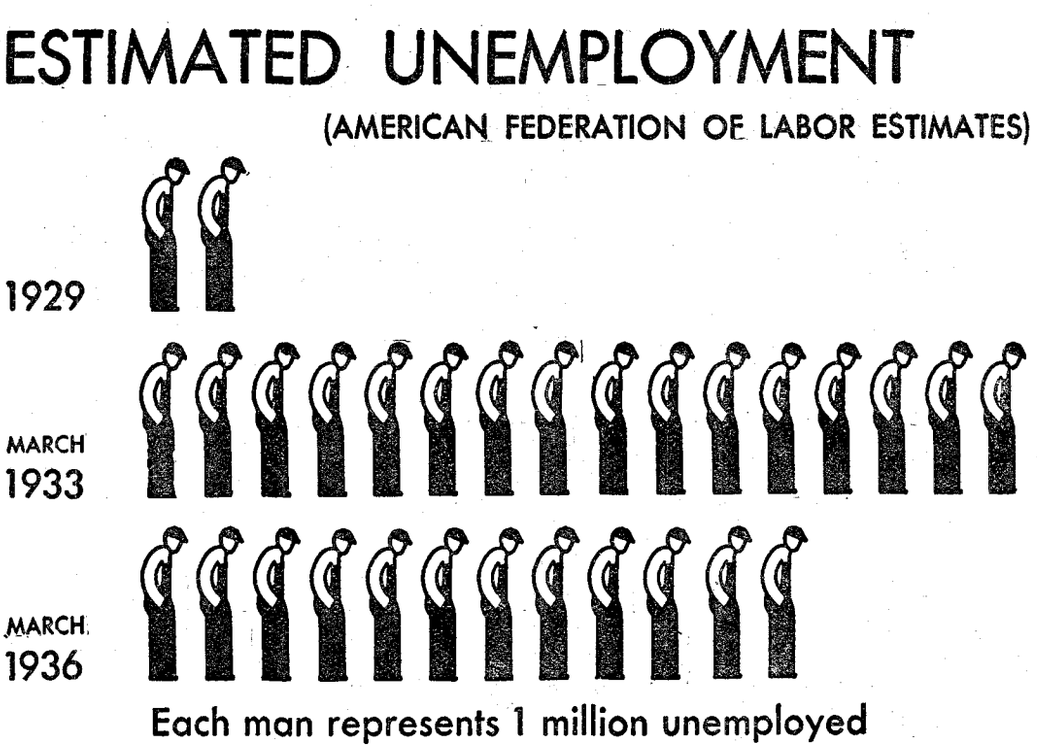
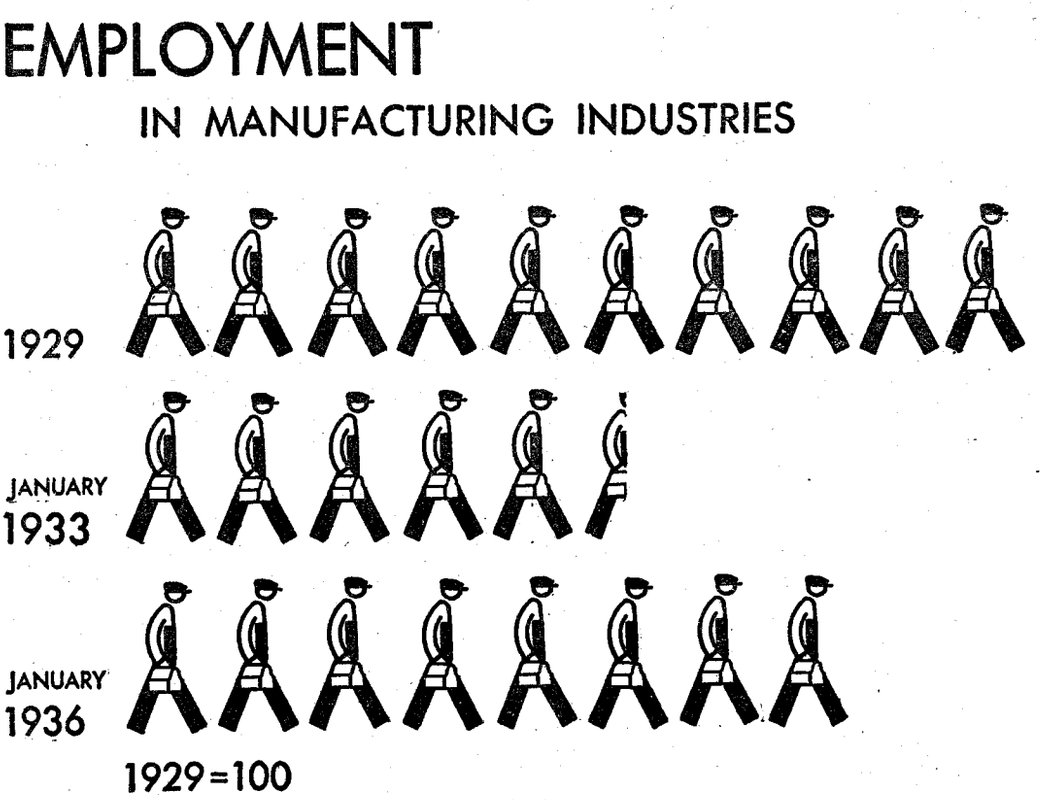
The Civilian Conservation Corps was designed as a special relief enterprise for young unmarried men, members of families without adequate income. To the number of 300,000 (afterward increased to 600,000 and then cut down to 300,000 again) they were assembled in a large number of camps throughout the country to work on afforestation, drainage, erosion control, etc. They were given board and clothing and a wage of $30 a month, $25 of which had to be returned to their families, who would otherwise have depended upon local home relief. The C.C.C. has accomplished much useful work and is on the whole generally conceded to be one of the outstanding successes of the administration.





The Works Progress Administration, instituted in 1935, was a reaffirmation of the belief shared by Mr. Roosevelt and Mr. Hopkins that work relief is better than the "dole." It carried out Mr. Roosevelt's determination to find a job for one person in every family on relief which contained an individual capable of working, and to return to the states and cities the care of all others. There were at that time about 22,000,000 persons on relief, a number since increased to 25,000,000. The 22,000,000 represented about 5,000,000 families, of which it was estimated that 3,500,000 contained at least one able-bodied individual. The whole plan was a haphazard improvisation that has worked badly. Many of the states and cities are without adequate funds to care for the 7,000,000 or 8,000,000 persons dumped upon them. In trying to find work for 3,500,000 persons in a short time there has been tremendous loss both in setting up comparatively useless projects and in the

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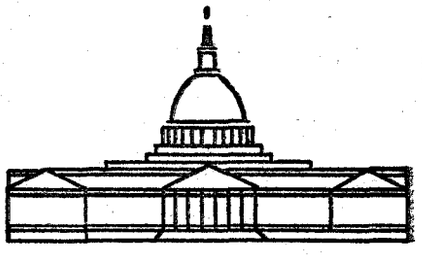
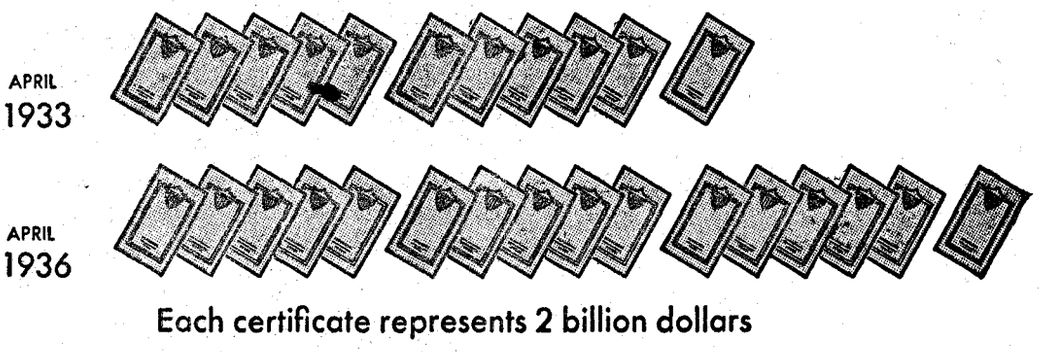
waste of human skills involved when, for example, a trained musician is set digging ditches. Politics has played a greater part in the selection of local administrators for the W.P.A. than in any previous relief organization and there have been a number of charges of dishonest administration from various parts of the country. Some of these have been tacitly admitted by the Washington authorities through the dismissal of the administrators implicated.





Statistical Abstract, 1935, p. 164
The Budget, 1937, p. 774
Survey of Current Business, May 7, 1936, p. 3

Bonus.—When the United States went to war in 1917, the government, remembering the billions paid out in pensions to Civil War veterans, sought to prevent similar agitation among the new soldiers by a system of war-risk insurance, generous hospitalization, etc. This effort was in vain. For fourteen years a desperate struggle continued to give the veterans "adjusted service compensation." Harding vetoed the bill in 1922. Coolidge, in 1924, accepted a proposal paying the veterans in 1945. Hoover vetoed a proposal for immediate payment but could not prevent "loans" up to 50 percent of the maturity value. Roosevelt in May, 1935, vetoed a proposal for immediate cash payment of the remainder. In January, 1936, he again vetoed the proposal, but made no real fight and accepted without demur the action of both Houses overruling him.

About 3,500,000 veterans will receive, in addition to previous payments, some $2,500,000,000 in the form of bonds to be distributed this summer, cashable at all post offices. If they had previously borrowed against their bonuses, as many thousands have done, and had failed to pay interest, such obligations are canceled back to October 1, 1931. It is generally expected that the veterans will now begin a new campaign for full regular pensions similar to those given soldiers of the Civil and Spanish-American Wars.

Taxation, Budget and Debt.—As in the last years of the Hoover administration, the federal budget has been unbalanced during the New Deal. By some theorists this was considered desirable: the contraction of credit had diminished total purchasing power; government spending based on credit could expand it. The budget was separated by the President into two parts—ordinary expenditures of government, and extraordinary or recovery expenditures. The aim was to pay all ordinary expenditures, as well as interest and amortization of the public debt, out of current revenues, and to meet the recovery expenditures out of an expansion of the principal of the public debt, financed by borrowing. This purpose has been approximately carried out.

The federal debt was, in April, 1933, $21,441,000,000. By April 30, 1936, it had increased to $31,425,000,000, or by about $10,000,000,000. However, the interest burden of the debt has not

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increased anywhere near so much as the principal, since the new obligations carry lower interest rates, and some of the old ones have been refunded. The average interest rate on the public debt fell from 3.4 in March, 1933, to 2.54 in November, 1935. The annual interest charge increased from $689,365,000 in the year ending June 30, 1933, to $742,000,000 (estimated) in the year ending June 30, 1936, or by a little more than $53,000,000. This was an increase of less than 8 percent in the interest burden, as compared with an increase of 50 percent in the principal. The proportion of the debt burden to population or national income is much smaller than in either Great Britain or France.

Little progress was made in taxation reform. Some leaks were stopped in the federal income tax, and somewhat higher rates were imposed, but the main expansion of taxation has been in indirect taxes which bear disproportionately on the poor. This tendency has been particularly marked in the states, since the federal government occupies a large part of the field of income and profits taxation, while a large part of the depression burden has fallen on subordinate governments.

II. Reform Activities

1. Labor

At the start of the New Deal the organized labor movement surged with a vitality it had not shown in more than a decade. Section 7a of the Recovery Act, which seemed to promise government support of collective bargaining, gave a real impetus to the growth of unionism: during the first year of the New Deal, membership in the A.F. of L., which had fallen away by one-half in the period since 1920, mounted rapidly; some 1,300 new union charters were issued.

It soon became apparent, however, that this enthusiastic drive for organization was too sanguine. The administration, fearing that the rising tide of strikes would retard recovery, urged labor to forgo militant action and to place its faith in the dubious experiment of government mediation—which aided labor only when labor itself could mobilize its power.

As a result of this pressure from both the government and the A.F. of L., the workers yielded to mediation, only to be bitterly disillusioned. For the various tribunals of mediation—the National Labor Board and the special N.R.A. boards in steel, textiles, automobiles, and so on—proved utterly ineffective where employers were recalcitrant. Their attempts to settle disputes frequently produced nothing but fruitless delays—the "National Run Around," as labor finally characterized the process. Thus while hundreds of young unions, failing to gain recognition through mediation, fell by the wayside, employers were free to foster company unions. During the N.R.A. period the number of employees covered by company unions and employee-representation plans doubled, reaching an estimated total of 2,500,000—the highest on record. Genuine unions gained altogether about 900,000 members.

Despite the disappointing results in general, the New Deal did provide a favorable opportunity for organization where workers had militant leadership. This was clearly the case in the significant victories won by the progressive industrial unions in the clothing, garment and mining industries and by the maritime unions on the West Coast. In the period 1933-35, the membership of affiliated industrial unions increased 57 percent, as compared with only 14 percent for the craft unions. This strengthening and broadening of the industrial-union movement was perhaps the major achievement of labor under the New Deal.

2. Erosion Control and Resettlement

Dust storms and floods have emphasized the fact that improper use of the soil has resulted in huge losses of fertile land through erosion by wind and water. Many farmers have been leading a precarious existence by trying to farm inferior soil that should be in grass or forests rather than in crops, or have been exhausting soil without renewing its fertility. The problem is to take the poorer land out of cultivation and stimulate better use and conservation of the rest. By September, 1935, the Soil Conservation Service had brought 1,207,000 acres under treatment, 20 percent being public and 80 percent private land, with an expenditure of about $15,000,000. The program for 1936 was to treat 8,000,000 acres. Net additions to public forests in 1934 rose above the former average, and in 1935 reached 2,136,459 acres, nearly four times the usual amount. Forest conservation work was largely expanded, principally by relief agencies.

Resettlement of farmers moving from the poorer land has not gone beyond the experimental stage. About one-tenth of the total submarginal land has been bought by the Resettlement Administration. Only 2,000 family houses were built; only 11,000 were contemplated. Four green-belt towns in suburban districts are being built by Resettlement.

The substitute bill for the A.A.A. aims to advance soil conservation by paying farmers for taking or keeping out of cultivation land unsuited for crops. In this endeavor, which competes with the Soil Conservation Service, the planning is inferior, due to the necessity for attempting crop reduction and giving benefits to the less efficient farmers.

Only the surface of this great problem has been

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scratched. The New Deal is to be credited, however, with recognizing it, publicizing it and making a beginning.

3. Tariff—Reciprocal Agreements

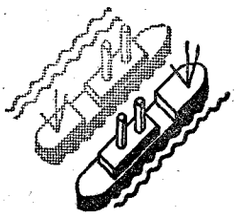
The injury of the protective tariff was increased at a critical moment by passage of the Smoot-Hawley bill under Hoover just as the depression was beginning. Farmers particularly suffered because they had to sell in a world market and buy in a protected one. Congress under the New Deal gave the President power to make reciprocal treaties for tariff reduction without congressional hearings or ratification. Secretary Hull and coöperating government agencies have worked faithfully to push such agreements. They are now in force with Cuba, Belgium, Haiti, Sweden, Brazil and Canada. Agreements with France and the Netherlands and its colonies have been signed. Negotiations are under way with a dozen other countries. Most of the agreements have not been in force long enough to show decisive results. In the case of Cuba, the first to make an agreement, our exports gained 59 percent and our imports 228 percent in the first year of operation. In general, these agreements obtain reductions of foreign duties on articles which constitute important exports of the United States, and grant in exchange reductions of duty on imports of which our production is relatively unimportant, or excessive in cost, or, though important, well able to hold their own against foreign competition.

The results are almost certain to be good so far as they go; but there is considerable doubt whether important countries will make enough concessions greatly to alleviate the difficulties in foreign trade. The attempt to solve international economic problems by return to laissez-faire is probably doomed to failure, on the whole.

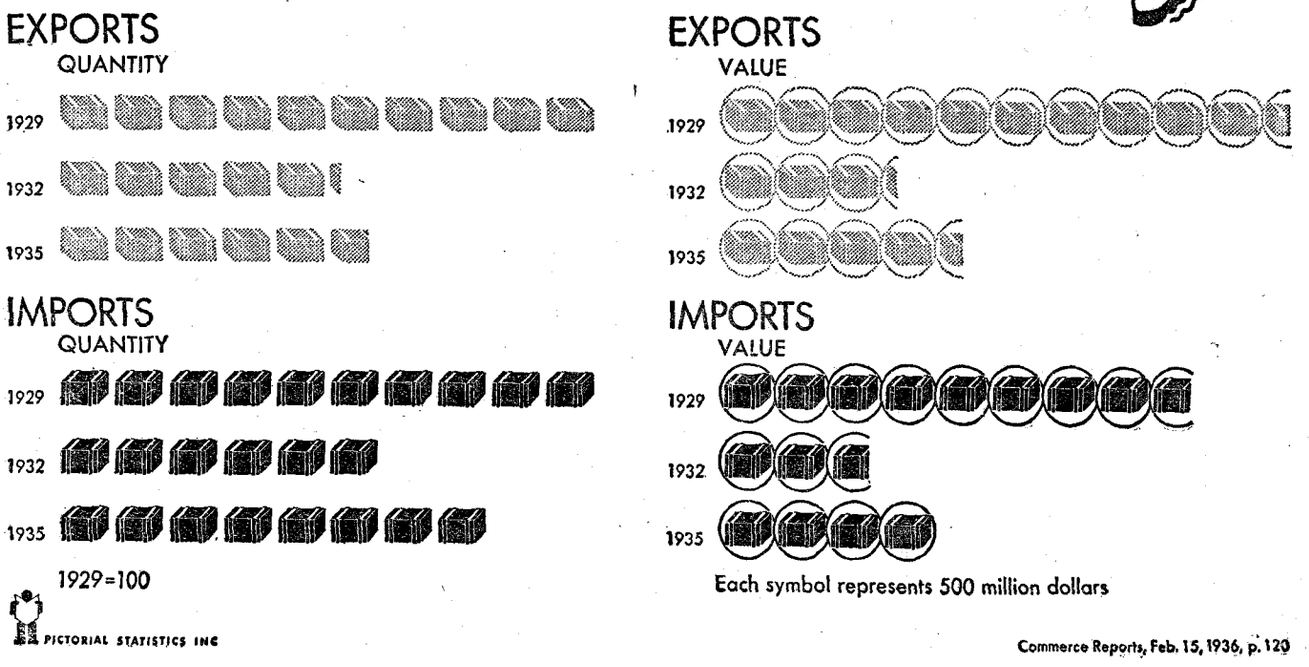
4. Social Security

During Mr. Roosevelt's term in office the United States at last followed the example of practically every other civilized country and made a beginning at the provision of social security. Under the new act (which has not yet met the test of constitutionality in the Supreme Court) provisions are made for unemployment insurance, old-age pensions and assistance to indigent mothers, the blind and a few other special groups. The law as finally passed was a bitter disappointment to practically all qualified experts, and disregarded the experience obtained over many years by all the leading powers of Europe.

In deference to the sacred doctrine of states' rights, no real federal system was set up, but aid is given to those states with schemes of their own—schemes that need not be uniform and may involve extremely low standards. For the purpose of encouraging unemployment insurance, a federal excise tax, ultimately 6 percent of payroll, is set up, 90 percent of which is remitted in the case of states that create such unemployment-insurance systems. Of the two old-age-pension plans, the chief one is on a compulsory, contributory basis, payments beginning at sixty-five. Employer and employee both contribute, and since the former can pass along part,



QUANTITY AND VALUE OF FOREIGN TRADE



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at least, of his share while the latter cannot, most of the burden will be borne by the class least able to afford it, the workers themselves. It is generally feared that the Supreme Court's adverse decision in the case of the Railroad Retirement Act forecasts a similar ruling against the old-age-pension provisions of the social-security act. The failure to include contributions from the federal Treasury to the unemployment-insurance funds contradicts the experience and operations of most other countries.

In short, the law is almost a model of what legislation ought not to be. It was drafted hastily, ignoring valuable precedents; in many cases political expediency was the dominant factor in deciding its contents. Incompetent persons with political influence were consulted in its preparation. Some states will be unable to take advantage of its provisions without revising their constitutions. While it is safe to assume that the law must be rewritten in the near future, every month of operation under its present structure makes more difficult and costly the work of reconstruction.

On the other hand, there is no doubt that a definite advance is recorded when the federal government and public opinion accept the collective responsibility for the victims of unemployment, and for sufferings through poverty among the aged, widows and orphans and the blind. This marks a complete break with the individualistic tradition supported by former President Hoover, by conservatives in general and at present, by nearly all spokesmen for the Republican Party. There can be little doubt that even a Democratic defeat at the next election would not cause the repeal of the social-security act. This represents a definite gain in the country's collective thinking, for which Mr. Roosevelt is certainly entitled to some credit.

5. New Banking Laws

Little was done by the administration to correct the fundamental weaknesses of our banking system, consisting of approximately 15,000 independent, privately owned banks, some of them national and some state banks, some members of the Federal Reserve System and some outside it. A deposit-insurance system, covering accounts up to $5,000, was installed, which temporarily aided in restoring the confidence of depositors, and will prevent runs and losses in normal times, but cannot eliminate bad banking practices and may fail in a general crisis.

Control of the Reserve System itself, however, was revised and centralized. The offices of Chairman of the Board and Federal Reserve Agent of each of the twelve Reserve Banks were combined, and main executive responsibility was given to the Presidents of the twelve banks (called Governors under the old law). The Presidents still are elected by the several Boards of Directors, but must now be approved by the Board of Governors of the whole system. Members of the Board of Governors are appointed by the President, and thus are technically responsible to the government rather than to private banking interests. Control of the important elements of credit policy was increased by allowing the Board of Governors to raise minimum reserve requirements in their discretion, and by the formation of an open-market committee to rule the action of the Reserve Banks in the purchase or sale of government securities. This action was formerly left to the Reserve Banks individually, and they did not always adopt a common policy. (Sale of government securities by Reserve Banks tends to contract credit, and purchase to expand it.) Whatever central banking policy can do to stabilize conditions through expansion of credit in dull times and contraction in booms is therefore possible for the Board of Governors. The Board, however, may also exercise this power unwisely, either in the interest of a government engaged in deficit financing, or in response to banking and business pressure.

Banks accepting deposits are no longer allowed, either directly or through affiliates, to engage in investment banking. Such banks often bought with one hand what they sold with the other, acting at the same time as agents both of the depositors as purchasers of securities and of those who issued securities for sale. Technical separation of the two functions has been made, but substantial community of interest probably cannot be avoided.

6. Foreign Policy

Taken as a whole, the foreign policy of the Roosevelt administration has been superior to that of Hoover, Coolidge or Harding. Its most notable aspect has been the improvement in relations with Latin America. Most of the grievances of the Spanish-speaking republics centering about American policy toward Nicaragua, Haiti, Santo Domingo and Cuba have been ended, though there is still some feeling that the United States has exercised undue influence over Cuban affairs through two successive Ambassadors, Sumner Welles and Jefferson Caffery. The Monroe Doctrine in its old form as a unilateral declaration has been tacitly dropped. Plans are now under way for the creation of what would be a Pan-American League of Nations.

This administration has set in motion machinery for giving the Philippines their independence, though the gesture has been marred by the creation of needless economic hardships after full independence comes into effect and by the fact that the bill was passed only through the help of domestic competitors with Philippine goods.

Another achievement of the Roosevelt administration was the resumption of diplomatic relations with Soviet Russia. Subsequent attempts to arrange a settlement of the Kerensky government's debt, and that based on the confiscation of private property of American nationals, and to arrange a new loan for commercial purposes, broke down and present relations between the two countries are something less than cordial.

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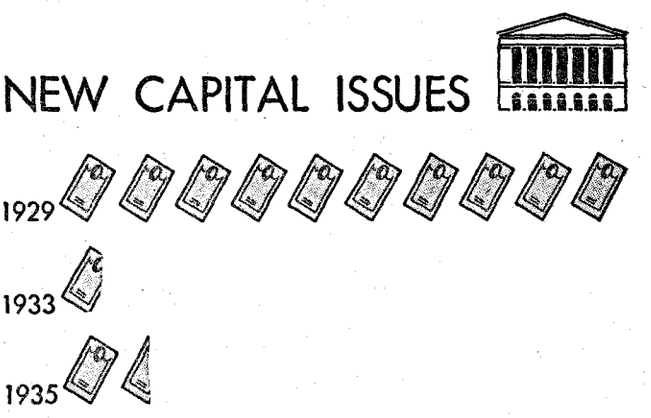
The policy of the administration on military and naval armament is bitterly disappointing to those Americans who believe we need only an establishment sufficient to carry on a defensive war. During the past four years expenditures for the American army and navy have increased at a rate that to many careful and moderate students of the subject seems completely unnecessary. The attempts to renew the various treaties for limitation of naval armament, beginning with the Washington Treaty of 1921, have entirely failed; while Great Britain and the United States have recently negotiated a new document, it contains no quantitative restrictions and is so full of "escape clauses" as to be almost meaningless. Though the United States government is of course not solely responsible for the debacle of naval limitation, it must bear a heavy part of the burden, through its unwillingness to compromise in any degree with Japan. Indeed, relations between these two countries have steadily worsened in recent years. The Roosevelt administration has neither repudiated nor attempted to enforce the Stimson doctrine of non-recognition of forcible seizure of territory. It continues to claim, in theory, extraterritoriality and rights of trade and investment in the Far East that have little existence in fact. Fear is often expressed in Japan that the American military and naval force, which now costs this country $1,100,000,000 annually, is primarily intended for operations in the Western Pacific.

Mr. Roosevelt is entitled to some credit for the neutrality law passed during his administration, the intent of which is to discourage economic entanglements with one or another of the belligerents in any future war, entanglements of a character likely to draw the United States into the conflict. While the law is only a partial and ineffective device, it is substantially better than it would have been if Mr. Roosevelt had had his way. The President and the State Department have consistently asked for executive discretion to distinguish between aggressor and victim, a proposal that to many impartial experts seems dangerous in the extreme. To some extent, Mr. Roosevelt sought to put this policy into operation, without legal authority, by attempting for a brief period to dissuade American oil interests from selling to Italy.

7. Regulation of Industry and Finance

Utility Holding Companies.—During the boom, utility holding companies had been one of the main instruments of financial racketeers in mulcting the investor and the consumer, and in exercising unwholesome influence on politics, education and the press. These holding companies frequently grouped operating companies with little relationship to location or efficiency, and either performed no substantial services for them or overcharged for the services they did perform. Their main purpose was to provide big profits for the promoters through financial inflation and pyramiding of earnings.



Control of an operating company would be bought, perhaps far above its true value. Money to buy this stock would be raised by bond issues of a holding company. Stock control of the latter would be retained by the promoting interests. Holding companies themselves would be assembled by higher holding companies through the same process. A pyramid of as many as seven layers might thus be built. The result was an immense return on the outlay of the promoter who held control of the top company, while outsiders furnished a major part of the cash, which received a moderate return in spite of the highly speculative nature of the investment. The investment was speculative because a small variation of earnings at the bottom of the pyramid produced an immense variation at the top. Holding companies were not subject to regulation.

The Wheeler-Rayburn act was passed to dissolve interstate holding companies above the second degree, which did not serve contiguous territory and perform genuine services. It also provided for regulation of interstate transactions of utilities. It allowed a period of years for winding up the affairs of the holding companies, but permitted them to retain whatever genuine investment values they comprised by continuing indefinitely as investment trusts. The law was attacked by the utility interests as unconstitutional, and is inoperative pending a Supreme Court decision. If the law is upheld, its chief value will lie in the curbing of an anti-social power, rather than in a positive solution of the problem of providing the public with the most possible electricity, gas and water at the lowest possible price. This probably can be done only through public ownership and power planning.

The S.E.C.—The New Deal's policies affecting the security markets are to be found in two acts—one the Truth-in-Securities Act of 1933 and the other the Stock Exchange Act. The Securities and Exchange Commission administers both these measures. Aside from their provisions, these two acts represent an important step merely as an assertion of power over the security markets and exchanges.

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As to the manner and extent to which that power has been exercised there is some difference of opinion. The Securities Act of 1933 has worked fairly well. Under it corporations and bankers are required to supply a great mass of information valuable to prospective investors. As yet no very effective working means of making this information available to investors has been devised. It probably will have to be worked out eventually by private agencies.

In the case of the stock exchanges, wide powers to deal with them are lodged with the Commission. The act will be effective therefore to the extent that the Commission uses those grants of power. The Commission has the right to compel registration of exchanges and the organization of exchanges under rules laid down by it. It has also the great power of scrutiny, or surveillance, or investigation. It has also the important power to make studies of the whole subject of exchanges and security markets and to bring before the public hitherto unknown facts.

Up to now it has not made an extensive use of its powers. This is partly excusable. First, the Commission had to be organized, which was a large job. Second, most of its members, even Mr. Joseph P. Kennedy, had little knowledge of the economics of the markets or of the mere physical mechanisms of the markets, though Mr. Kennedy understood the latter. Hence they have been slow to act in an unknown and uncharted field. The Commission also faced constitutional hazards.

Many studies have been undertaken. The study of reorganizations was excellent. Mr. William O. Douglas, its author, has been raised to the rank of commissioner, greatly strengthening the body. The study of unlisted markets, having been made with a resulting recommendation of the expert to outlaw such markets, was tossed aside. Instead the Commission became almost the champion of unlisted markets, which are pretty bad. The study on segregation, covering the very bad activities of floor traders, specialists, made by the economic division of the Commission, resulted in recommendations of drastic reforms. These were also put aside. The study of over-the-counter markets had a similar fate. On the other hand the Commission has proceeded against three large houses—Mike Meehan; Wise, Weld and Company; and Charles Wright, a specialist—for market manipulation. But the investigations are so long that they prove merely that such investigations are almost impossible. No findings have yet been made.

On the whole no one can say what effect the S.E.C. will have on speculation and its markets until it develops a little vitality and does something. The subject of margins is out of its hands. The Federal Reserve Board controls that. It has tightened margins up a little since the market got active. But the power over the market is in the Commission's hands and one of these days it may be used. That is about all that can be said thus far.

Railroads.—The railroad problem has long been serious. Some railroads are overcapitalized; much waste and duplication exist on account of competition; consolidation has failed to remove the difficulties. Competition with buses, trucks and airplanes reduced traffic, and finally the depression aggravated the situation. Loans aggregating over half a billion dollars were made to necessitous roads by the R.F.C. and P.W.A.. A Railroad Coördinator was created under Roosevelt, and Interstate Commerce Commissioner Eastman was appointed to the position. The government forced a reduction in the price of steel rails, and salaries of railroad executives were reduced to a maximum of $60,000. Regulation of motor carriers was enacted and the bankruptcy act as to railroads was revised. Beyond this the Coördinator was able to do little besides make studies and offer recommendations. Great opportunities exist for economies in terminal unification and other forms of increased efficiency, but these were prevented for years, partly because of inertia by the railroad managements, partly through resistance by labor, which feared increased unemployment. These obstacles have lately been cleared away by a general agreement under which workers dismissed or demoted because of unification of terminals or other similar actions will receive compensation of 60 percent of their wages for periods ranging from six months to five years. Financial reorganization of the roads lags. The Coördinator recommends as the only satisfactory ultimate solution government ownership and operation, but no steps have been taken to effectuate this recommendation.

Competitive Electrification.—Leading officials of the Roosevelt administration have from its beginning believed that under the prevailing private ownership of power plants and distribution facilities, electricity costs too much and is insufficiently used. Of about 30,000,000 homes, only 20,000,000 have central-station power; of more than 5,000,000 farm homes, such power is available to only 750,000. To remedy this situation, action has been taken along several lines. By new legislation in 1935, the field of the Federal Power Commission was greatly broadened. Beginning in 1933, a comprehensive survey of the power situation throughout the United States was undertaken. Publicly owned "yardstick" plants such as that at Muscle Shoals have been inaugurated. Government funds have been loaned, for the construction, extension or repair of municipally owned electric plants. Ambitious plans have been started for the construction of transmission lines and special generating stations to bring electricity to the farm. Householders have been aided in purchasing electric equipment on the instalment plan. The corporate structure of public-utility holding companies has been restricted, partly in order to provide a sounder base for determining the cost of producing electricity.

Power produced by the Tennessee Valley Au-

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thority is sold at an average rate of 2.1 cents per kilowatt hour, which compares with a national average, under private industry, of 5.1 cents. Since the T.V.A. began operations, private companies in the same area, Tennessee, Alabama and Georgia, have all made substantial reductions in their rates. Subsequent to the beginning of the survey by the Federal Power Commission, privately owned companies throughout the country have made voluntary reductions representing a saving, on June 1, 1935, of $47,400,000 annually, and this downward tendency still continues. The Electric Home and Farm Authority has already financed the sale of household electric equipment to the value of more than $1,000,000 in the three states of Missouri, Tennessee and Alabama, and expects to increase this to a maximum total of $50,000,000. The Public Works Administration has loaned $62,000,000 to build or improve municipal power plants to the number of 285, though many of these grants are still inoperative because of injunction proceedings in the courts.

A tremendous total of additional electric power will be provided through the hydroelectric, irrigation and flood-control projects at Bonneville, Grand Coulee, Ft. Peck, Boulder and Casper-Alcova. On one additional project, the Passamaquoddy plant in Maine, work has been suspended after the expenditure of a considerable sum and seems unlikely to be resumed. The domestic use of electricity has increased, partly because of government efforts, 30 percent since 1929. The F.P.C. estimates that if normal business activity returns, the country will require 4,000,000 kilowatt hours more than it did in 1929 and about 1,700,000 kilowatt hours in excess of the total capacity of existing plants.

8. Planning

Much has been said about social-economic planning under the New Deal, but little has been done. Overall economic planning of such matters as price, wage and production policies and coördination of industries has been conspicuously lacking. Planning for development of a region is being attempted under the T.V.A., and is being executed in such limited but useful fields as electric power, flood control and erosion control. Planning for employment of surplus farmers and other unemployed in the Tennessee Valley has, however, met formidable obstacles. Industries are not being created by government; few private industries will move in without general industrial expansion; even if they do, such isolated plants as may be attracted may exploit labor and by their competition decrease employment elsewhere. Successful regional planning in the industrial sphere is impossible except in the setting of a successfully planned national economy.

The National Resources Board has made a number of valuable reports in the field of conservation and development of resources, notably the Mississippi Valley Report, which outlines for that region a possible project of power development, flood and erosion control, navigation improvement, irrigation and water supply, afforestation, recreation, etc. A bill to create a Mississippi Valley Authority was introduced by Senator Norris, but has not passed.

Creation of planning agencies by the various states has been encouraged; a number of such agencies have been formed and have rendered excellent reports covering such matters as highways, parks, housing, recreation, water supply, etc. These reports may guide legislation, but are not likely to affect greatly the sector of economic life controlled by private business.

In sum, it may be said that social planning has made advances in strictly governmental activities, but has been retarded in private enterprise, which in turn does much to hamper government planning.

9. Youth, Culture and Education

Youth.—President Roosevelt and his advisers have been keenly concerned about the disastrous effect of the depression upon the morale of young people. Various attempts have been made to meet this problem.

The Civilian Conservation Corps enlisted about 300,000 young men coming from families on relief and paid them wages, most of which were allocated for the support of their dependents. Its activities are described elsewhere.

The National Youth Administration has been primarily an attempt to continue the education of young men and women for whom this would not otherwise have been possible. Under it, $6 a month (and some other assistance) has been given to a maximum of 245,000 high-school students. Fifteen dollars, on the average, has been paid each month to a maximum of 121,000 college undergraduates. About 5,000 graduate students have received a maximum of $30 a month. In exchange for this assistance, the individual has done work under the direction of the college authorities at a rate that in general has approximated 50 cents an hour. Another 210,000 young men have been given employment which included some form of educational activity growing out of the work itself.

Existing school facilities, both for children and adults, have been supplemented by the work of a maximum of 40,000 teachers drawn from the unemployed, who have given classroom instruction to a maximum of 1,600,000 students.

At the beginning of the Roosevelt administration a serious problem was presented by several hundred thousand young men, and a few young women, drifting about the country as vagrants, mostly as a direct result of depression conditions. The system of federal transient refuges was largely designed to cope with this problem, although not confined exclusively to the young. It cared for a maximum of 300,000 persons at a cost of $50,000,000 to $60,000,000 annually. This system has now been partially scrapped, an action strongly disapproved by competent social workers who know the situation.

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Cultural Activities.—Various devices have been used to give employment to workers in the arts that would utilize their special skills and training. Under the Civil Works Administration, some projects were set up for painters, sculptors, musicians, architects and research experts in various sciences including archeology. The Public Works of Art Project continued some of this activity, employing painters, mural artists and sculptors in particular. The Works Progress Administration has carried on and expanded these activities. As many as 5,000 artists, drawn from relief rolls, have been engaged in the decoration of public buildings. Orchestras taken from the ranks of unemployed musicians have given concerts. The Federal Theatre Projects have sponsored numerous productions, some of which have been acclaimed as successful from the aritstic standpoint. A large number of writers is employed in assembling a series of regional guide books for all parts of the country, collecting a mass of material much of which is valuable and has never before been recorded or assembled. While these projects have been subjected to sharp criticism by conservatives, who deplore them as wasteful "boondoggling," many informed persons believe that their social usefulness has far exceeded their monetary cost and that, in numerous instances, the works of art produced have a cash value much above the government's investment.

10. Prohibition Repeal

Perhaps the most popular single act of the administration has been its encouragement to the repeal of prohibition. The first step was the proposal in March, 1933, for the legalization of beer with an alcoholic content of 3.2 percent by weight. Next came the constitutional amendment returning to the states control of the question of alcoholic beverages. While the country still contains millions of prohibitionists, the nation as a whole has strongly endorsed the wisdom of this action.

Bootlegging and the allied evils of racketeering in general, which accompanied it, have been greatly reduced, although far from abolished. The harmful effects of letting the rising generation see its elders almost universally break the law with complacency have been ameliorated. The proportion of inferior or even actually poisonous beverages consumed has without doubt been cut down. Fear that open sale of liquor would produce a heavy mortality because of drunken automobile drivers is not borne out by the available statistical evidence. An interesting experiment in social control has been provided by the several states that have set up their own monopolies in the sale of alcoholic beverages in bottles. While importers were at first indignant at the restrictions put upon them by the Federal Alcohol Control Administration, restrictions intended to help the domestic industry to get under way, these bars have since been lowered and few serious criticisms are now being heard.

11. Efficiency and Patronage

Republican opponents of the present administration are particularly sharp in their denunciation of the spoils system as it operates today. They charge that the civil service has been debauched and that thousands of jobs have been given to incompetents merely because they had political influence. In such criticism, however, it is important to know the base from which the critic begins. Compared with ideal perfection, the Roosevelt administration has acted very badly indeed. Compared with previous Republican administrations, its level is on the whole about the same.

While it is true that the percentage of all government employees under civil service has diminished, the chief reason for this is the proliferation of hastily improvised new bureaus to carry out the Roosevelt policies and in particular, the setting up, on an emergency basis, of machinery to take care of 25,000,000 persons on relief, almost one-fifth of the entire population. Even among the new agencies, many have been under civil service, including the A.A.A., F.C.A., F.C.C., N.L.R.B., R.A., S.E.C., the Bituminous Coal Commission, Railroad Retirement Board, Social Security Board, Motor Carriers' Bureau and Soil Conservation Service.

While Postmaster General Farley is a frank and unashamed believer in patronage who prefers an incompetent man with political influence to a competent one without such influence, other members of the Cabinet, with the exception of Attorney General Cummings, have strongly resisted his activities. This has been particularly true of Secretary Ickes in his role as Public Works Administrator. Mr. Harry Hopkins, Emergency Relief Administrator, has taken the same position; in so far as politics has crept into the appointment of local officials, particularly in the W.P.A., this has been done against his will and through partisan pressure by members of Congress, among whom Republicans have been equally guilty with Democrats. While Mr. Roosevelt has failed to take the Post Office out of politics, as he promised, even first and second-class postmasters are now required to take examinations, and the successful candidate must be among the three with the highest scores. On the whole, there is no reason to believe this administration is any more devoted to the spoils system than the Republicans have been in the recent past or would be again.

If we take the work-relief projects as a whole, there is no doubt that the standards of production per worker per hour have been low as compared with the standards in comparable private industry. This is the result of several factors. In some cases, standards in private industry are undesirably high, and workers are driven to the point of exhaustion. Work relief has been an emergency enterprise, hastily improvised, without adequate planning; work has been slowed down, or halted, because materials were inadequate or were lacking. In many cases it was impossible to find sufficient work for

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the number of men who have been put on the payroll. Often the workers believed that when their special job was finished they might be dismissed, and it is not surprising that they tried to make it last. The administration has been guilty of bad planning, of dealing from week to week with a problem that should have been treated as permanent, of sudden and arbitrary retrenchments for political reasons, and it is subject to severe criticism on these points. There is nothing to support the general assumption of conservatives that workers employed by the government are less productive, both in quantity and quality, than are workers in private industry.

12. Protection of Consumers

Foods and Drugs.—One of the first acts of the administration was the introduction, under the guidance of Assistant Secretary of Agriculture Tugwell, of an amendment to the Pure Food and Drug Law stopping loopholes and providing for truth in advertising, which was not within the scope of the old law. This aroused the hostility not only of powerful manufacturing interests, but of advertising agencies and national publications, and caused the start of the campaign to smear Tugwell as a radical brain-truster. The President failed to throw his force behind the bill and it was defeated. An emasculated version is now being pushed by the administration with much less chance of success than if it had fought in 1933.

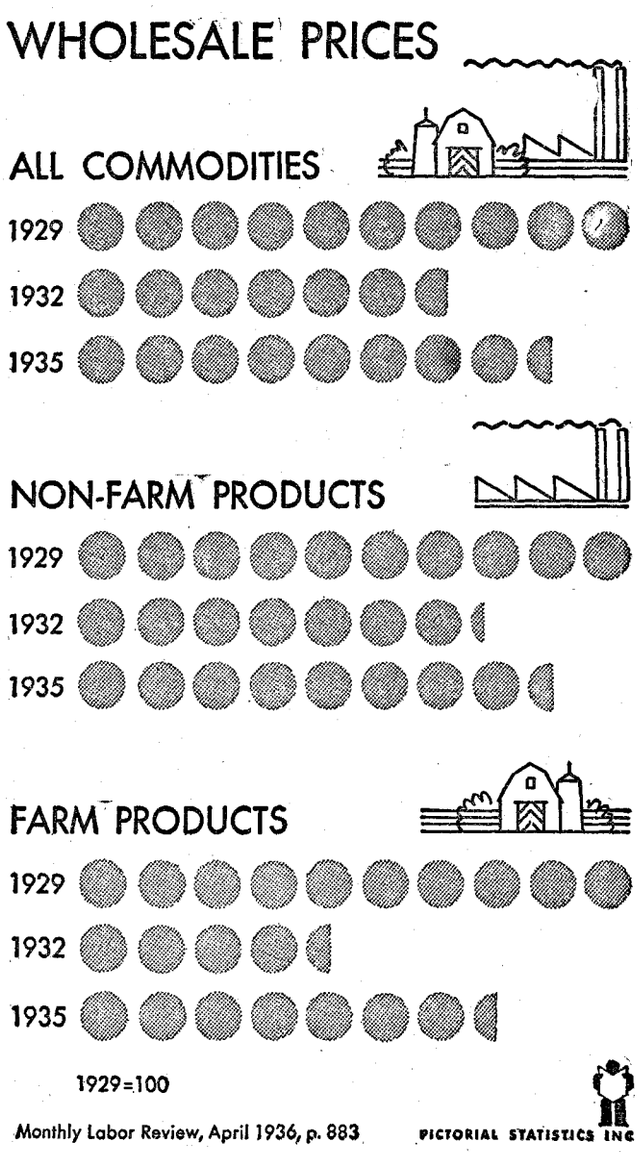
Consumers under A.A.A. and N.R.A.—The laws regulating both agriculture and industry contemplated protection of consumers in such matters as price, quality, standardization and truthful selling. Consumers' representatives in both organizations did their best, without much effect, because consumers were not effectively organized and business objected. Under the A.A.A., the struggle to protect consumers in codes for processing industries and distributors of agricultural products delayed the acceptance of such codes, and the Department of Agriculture finally gave up almost completely the effort to administer this part of the law. In the N.R.A. the consumers' representatives were almost entirely ignored not only by industry but by General Johnson, until most of the codes had been framed.

Activities in behalf of consumers became confined to publication of helpful advice and information, which persisted for a while after the demise of the N.R.A. and the A.A.A. But, on the whole, the attempt to protect consumers was one of the most complete failures of the New Deal.

13. Minorities and Civil Liberties

Perhaps no group has benefited more directly from the activities of the Roosevelt administration than have the Indians. The former policy of seeking to force the Indian to adopt the white man's culture, which carried with it great hardships and in some cases downright cruelty, has been scrapped. Broadly speaking, the Indian today is encouraged to follow his own tribal customs, including the traditional occupations and economic organization. The process of herding the tribes upon more and more inferior land has been halted. Large sums from relief appropriations have been used to build new roads and trails or to improve old ones. Exploitation of Indians whose lands happen to be valuable because of mineral resources or possibilities for irrigation has largely been stopped.

The position of the Negro has been both improved and worsened by government action at Washington. While the N.R.A. was in effect, wages of some types of Negro labor were somewhat improved. Unemployed Negroes receiving relief found in some cases that the payments, small as they have been, were larger than the going rates for unskilled labor in their communities. President Roosevelt and his wife have opposed social discrimination against the Negro, and partly because of this fact it is reported that in the election he will receive the support of many thousands of Negroes in Northern states who have always heretofore voted the Republican ticket.



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Great harm has been done the Negroes, however, by the operations of the A.A.A. Cotton planters have in many cases fulfilled the restriction program by turning out sharecroppers and tenant farmers (both white and black) without the least provision for their future.

The administration has conspicuously failed to take steps to decrease the number of lynchings, having declined to make the federal anti-lynching law a part of its program. Some lynchings have occurred in which the victim was kidnaped and taken across a state border, thus subjecting the lynchers to prosecution under the so-called "Lindbergh law," their crime being certainly more serious than that of kidnapers for ransom. The federal Department of Justice, presumably in fear of Southern Democratic political leaders, has failed to prosecute such cases.

In considering treatment of aliens under the Roosevelt administration it is probably more just to compare the present situation with that during the last previous wave of anti-Red hysteria, in the early 1920's, than with conditions during the Coolidge and Hoover regimes. On the whole, those aliens charged with "radicalism" (a more serious charge against an immigrant than a native) have been better treated during the last three years than in the "Red raids" of the late A. Mitchell Palmer. At the same time, there have been numerous instances of prosecutions which seem unjust and unwarranted and in certain cases, the Department of Labor has attempted to deport political refugees to the countries from which they had fled and in which they seemed likely to be subjected to prison sentences, torture and execution. In some parts of the country, local officials of the Department of Labor have coöperated with employers in breaking strikes by seeking to deport foreign-born strike leaders on any possible pretext.

Secretary Frances Perkins argues that in many cases, at least, the Department of Labor has no alternative under the law. It should be noted, however, that deportation proceedings have been suspended in the cases of more than 2,000 aliens guilty of illegal entry but not suspected of radicalism. It should also be noted that Mr. Roosevelt has not obtained the repeal of the present law, which he could probably have done without trouble, nor has the administration set its face strongly against any of the various bills introduced curtailing civil liberties in one way or another. If none of these bills has passed, the reason is chiefly that their proponents have been putting through similar measures in the individual states with such marked success that the pressure for federal laws has been abated.

It should be recorded that the federal censorship of allegedly obscene matter, as exercised through the Post Office and the United States Customs, has operated with much more discretion and intelligence during the Roosevelt regime. Some credit for this should be given to the administration, though some must also be allotted to increasing liberalism of general public opinion on this particular point.

Conclusion

The division between recovery and reform activities, adopted for convenience, is misleading if taken too literally, since every emergency measure has its lasting influence, and every permanent reform affects the emergency. Furthermore, it is true, at least to some extent, that the depression not merely was an acute crisis to be treated by temporary devices, but also indicated a chronic lesion in our social-economic organism.

Recovery.—From the point of view merely of alleviating the crisis, the emergency action on the banks must clearly be given a plus sign.

The policy as to prices and wages was confused, and probably was negative, taken as a whole. The major purposes were involved, (a) to raise the general price level in order to reduce the debt burden and stimulate production, and (b) to increase the real incomes of farmers and wage-earners so that they could buy more—with resultant increase in production, employment and business activity. But these purposes were not carefully adjusted to each other. If all prices rose equally, with no increase in production, nobody would benefit. If farmers were to receive a larger purchasing power for a smaller output, farm prices would have to rise more than prices of industrial products. If wage-earners were to have a larger purchasing power, their incomes would have to rise more than the prices they paid for food and industrial goods. What happened was that the general price level rose, but considerably less than the advocates of monetary measures had predicted; that farmers' incomes and purchasing power increased, though not so much as had been planned, along with a decrease in their output; that the purchasing power of the industrial workers increased somewhat, though not nearly enough, on account of the persistence of unemployment; and that the purchasing power both of farmers and workers was limited by the rise in prices of industrial products. Profits showed a big jump; industrial production recovered not at all under the N.R.A. and but slowly thereafter; unemployment remained large. A remedy that does not boost production and employment is not a remedy at all. We cannot consume what we do not produce, no matter how high wages and prices; and unemployment is the worst symptom of economic breakdown.

The third important recovery policy was that of government spending based on credit. This was contrary to the Democratic platform promise to balance the budget; but it was necessary simply for humanitarian purposes of relief, and even Hoover would probably have been compelled to resort to it. It was, furthermore, supported by the economic principle that somebody must spend a lot more if revival were to come, that spending could not increase without an expansion of credit because credit

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supplies nine-tenths of our means of payment; that if private business could not or would not borrow to expand its activities, government could and should. Government borrowing and spending was probably as effective in increasing economic activity as any measure it undertook. It therefore deserves a plus sign in recovery. Since it was not large enough fully to relieve unemployment or bring recovery, this plus quantity is not so big as it might have been. (Much of the so-called spending was merely an assumption by the government of private debt.) And since it cannot go on forever, its ultimate effect must depend on a full recovery of private business; the longer it goes on without such recovery, the greater the danger of accumulating an insupportable public-debt burden, or even of inflation when a belated recovery comes. These dangers are not yet imminent, but they should not be overlooked. If government spending stops without having stimulated recovery, the plus sign will become a minus.

Reform.—The list of reforms attempted under the New Deal is long; compared with what any other administration has tried, it is impressive indeed. These reforms are, in almost every case, not socialistic or even stepping stones to socialism; they are intended to mitigate the sufferings caused by a badly working capitalism or to improve its operation. Some of the more important of these were long ago inaugurated in England and other capitalistic nations under pressure from liberals or labor.

The number of these reforms and the intentions behind them are more impressive, however, than the laws in which they are embodied or the results so far achieved. The measures that are intended to make capitalism more palatable to the masses have been fought bitterly by the chief beneficiaries of capitalism, and the administration has in many cases, as a result of this opposition, either compromised so much as to render the reforms ineffectual or has been stalled by court action making laws unenforceable, at least for the time being. The administration is being credited for its intentions, for the number of things it has started and for the opposition it has aroused, far more than for tangible results.

Perhaps the chief advantage to be derived in the long run from the New Deal reform activities will prove to have been the stimulus it has given to labor organizations and to progressive ideals throughout the population. This may help to mobilize the political power of the masses—a power that ultimately will be necessary if a better social system is to be created.

There are a number of standards by which the New Deal may be judged. If one compares it with what the Republicans had previously done and the amount of understanding of our problems they showed, or with what reactionaries now propose to do, the New Deal stands out as a striking advance in the attitude and action of government, or even as a bulwark against disastrous reaction. If one compares it with the measures necessary for a thorough renovation of our society, for creating an economy of abundance, it is sadly deficient, and even, in some respects, reactionary. If one compares it with its own promises and pretensions, and with what it might have done, given the popular support it aroused at the beginning, it is less blameworthy, but still a chapter of lost opportunities.

Perhaps the most useful way to judge it is as a necessarily blundering, but well intentioned attempt to find a way out of the enormous difficulties with which the nation was confronted, an attempt which may be of real educational value if its imperfections are clearly understood and if the groundwork is laid in thought and political organization for a sounder and more permanent advance in the future.

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